

**ARAP TRK BANKASI ANONİM ŐİRKETİ**

**UNCONSOLIDATED FINANCIAL STATEMENTS  
AND RELATED DISCLOSURES AT 31 MARCH 2025  
TOGETHER WITH AUDITOR’S REVIEW REPORT**

**(CONVENIENCE TRANSLATION OF UNCONSOLIDATED  
FINANCIAL STATEMENTS AND RELATED DISCLOSURES AND  
FOOTNOTES ORIGINALLY ISSUED IN TURKISH)**



## AUDITOR'S REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

(Convenience translation of the independent auditor's review report originally issued in Turkish, See Note I of Section Three)

To the General Assembly of Arap Türk Bankası Anonim Şirketi;

### *Introduction*

We have reviewed the unconsolidated balance sheet of Arap Türk Bankası Anonim Şirketi ("the Bank") at 31 March 2025 and the related unconsolidated statement of profit or loss, unconsolidated statement of profit or loss and other comprehensive income, unconsolidated statement of changes in shareholders' equity, unconsolidated statement of cash flows and a summary of significant accounting policies and other explanatory notes to the financial statements for the three-month-period then ended. The Bank Management is responsible for the preparation and fair presentation of interim financial information in accordance with the Banking Regulation and Supervision Agency ("BRSA") Accounting and Financial Reporting Legislation which includes "Regulation on Accounting Applications for Banks and Safeguarding of Documents" published in the Official Gazette no.26333 dated 1 November 2006, and other regulations on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by BRSA and Turkish Accounting Standard 34 "Interim Financial Reporting" for those matters not regulated by the aforementioned regulations. Our responsibility is to express a conclusion on these interim financial information based on our review.

### *Scope of Review*

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Limited Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial reporting process, and applying analytical and other review procedures. A review of interim financial information is substantially less in scope than an independent audit performed in accordance with the Independent Auditing Standards and the objective of which is to express an opinion on the financial statements. Consequently, a review of the interim financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an opinion.



### *Conclusion*

Based on our review nothing has come to our attention that causes us to believe that the accompanying unconsolidated financial information does not present fairly in all material respects the financial position of Arap Türk Bankası Anonim Şirketi at 31 March 2025 and its financial performance and its cash flows for the three-month-period then ended in accordance with the BRSA Accounting and Financial Reporting Legislation.

### *Report on other regulatory requirements arising from legislation*

Based on our review, nothing has come to our attention that causes us to believe that the financial information provided in the accompanying interim activity report in Section Seven, is not consistent with the reviewed unconsolidated financial statements and disclosures in all material respects.

### *Additional Paragraph for Convenience Translation:*

BRSA Accounting and Financial Reporting Legislation explained in detail in Section Three differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board including the application of IAS 29 - Financial Reporting in Hyperinflationary Economies as of 31 March 2025. Accordingly, the accompanying unconsolidated financial statements are not intended to present fairly the unconsolidated financial position, results of operations, changes in equity and cash flows of the Bank in accordance with IFRS.

PwC Bağımsız Denetim ve  
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Özge Arslan Yılmaz, SMMM  
Independent Auditor

Istanbul, 9 May 2025

**ARAP TÜRK BANKASI A.Ş. UNCONSOLIDATED INTERIM FINANCIAL REPORT  
AS OF AND FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2025**

**Address of the Bank's Headquarters :** Valikonağı Caddesi No:10, 34367 – ŞİŞLİ/İSTANBUL  
**Telephone and Fax Numbers :** Tel : 0 212 225 05 00 Faks: 0 212 225 05 26  
**Website of the Bank :** <http://www.atbank.com.tr>  
**E-mail address of the Bank :** [corp@atbank.com.tr](mailto:corp@atbank.com.tr)

The unconsolidated interim financial report as of and for the three month period ended 31 March 2025 prepared in accordance with the communiqué of “Financial Statements and Related Disclosures and Notes to be Announced to Public by Banks” as regulated by Banking Regulation and Supervision Agency, is comprised of the following sections:

- GENERAL INFORMATION ABOUT THE BANK
- UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS OF THE BANK
- EXPLANATIONS ON ACCOUNTING POLICIES APPLIED IN THE RELATED PERIOD
- INFORMATION RELATED TO FINANCIAL POSITION AND RISK MANAGEMENT OF THE BANK
- DISCLOSURES AND FOOTNOTES RELATED TO UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS
- INDEPENDENT AUDITOR'S REVIEW REPORT
- INTERIM ACTIVITY REPORT

The unconsolidated financial statements for the three-month period and related disclosures and footnotes that were subject to limited review, are prepared in accordance with the Regulation on Accounting Applications for Banks and Safeguarding of Documents, Turkish Accounting Standards, Turkish Financial Reporting Standards and the related statements and guidances, and in compliance with the financial records of our Bank and, unless stated otherwise, presented in **thousands of Turkish Lira**.

Yasin Öztürk  
*Chairman of the Board of  
Directors*

Mohamed Milad Ebrayik Hassadi  
*Deputy Chairman of The Board  
of Directors and Chairman of The  
Audit Committee*

Selen Giyim  
*Member of The Board of  
Directors and The Audit  
Committee*

Hüseyin Serdar Yücel  
*Member of The Board of  
Directors and The Audit  
Committee*

Wail J. A. Belgasem  
*General Manager*

Salih Hatipoğlu  
*Assistant General Manager  
Responsible For Financial Reporting*

Cem Berk Bayer  
*Group Manager*

Contact information of the personnel for addressing questions regarding this financial report

Name / Title: Utku Çelik / Unit Manager

Phone No : 0 212 225 05 00

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# ARAP TÜRK BANKASI A.Ş.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

### SECTION ONE

#### GENERAL INFORMATION ABOUT THE BANK

#### I. BANK'S DATE OF ESTABLISHMENT, BEGINNING STATUTE, ITS HISTORY REGARDING CHANGES ON ITS STATUTE

Arap Türk Bankası Anonim Şirketi ("the Bank") has been established in 1977 as a joint stock entity in accordance with an agreement signed on 11 August 1975 between the Republic of Türkiye and the Libyan Arab Republic. The duration of the Bank is 50 years from the commencement of the Agreement. This period shall be renewable automatically unless agreed otherwise by an Extraordinary General Meeting held at least one year prior to expiration.

In accordance with the Articles of Association, the Board of Directors shall elect a Chairman among its Turkish members and a Deputy Chairman among its Arab members. The General Manager shall always be nominated by Libyan Foreign Bank assigned by the Board.

#### II. BANK'S SHARE CAPITAL STRUCTURE, SHAREHOLDERS DIRECTLY OR INDIRECTLY, ALONE OR TOGETHER HOLDING THE MANAGEMENT AND CONTROL OF THE BANK, RELATED CHANGES WITHIN THE YEAR AND INFORMATION ABOUT THE BANK'S GROUP

The Bank is a foreign bank status incorporated in Türkiye. The main shareholder Libyan Foreign Bank is 100% owned by Central Bank of Libya. The main shareholder Libyan Foreign Bank has financial investments in various countries.

The shareholder's other qualified shares are Türkiye İş Bankası A.Ş. and T.C. Ziraat Bankası A.Ş.

The decision to increase the capital to TL 2,580,000 was approved at the Bank's Extraordinary General Assembly meeting held on December 4, 2024. The capital increase and the corresponding amendment to the relevant article of the Articles of Association were registered on February 18, 2025, and announced in the Trade Registry Gazette No. 11274 on February 18, 2025. The accounting for the said capital increase was carried out on February 18, 2025, in accordance with the permission obtained from the Banking Regulation and Supervision Agency (BDDK).

As of 31 March 2025, the Bank's share capital at the balance sheet date as follows:

Shareholders	Current Period		Prior Period	
	Share amounts	Share percentages <sup>(1)</sup>	Share amounts	Share percentages <sup>(1)</sup>
Libyan Foreign Bank	1,626,491	63.04%	274,426	62.37%
T. İş Bankası A.Ş.	530,857	20.58%	90,534	20.58%
T.C. Ziraat Bankası A.Ş.	398,143	15.43%	67,900	15.43%
Kuwait Investment Co.	24,509	0.95%	7,140	1.62%
<b>Total</b>	<b>2,580,000</b>	<b>100%</b>	<b>440,000</b>	<b>100%</b>

(1) Emek İnşaat ve İşletme A.Ş. has the share of 0.0000014% (as of December 31, 2024: 0.0000014%) in the paid-in capital of TL 36.35 (rounded to the nearest full TL) (as of December 31, 2024: TL 6.20 (rounded to the nearest full TL)).

(2) In the extraordinary general assembly of the Bank held on March 4, 2025, it was decided to increase the paid-in capital by TL 641,000 and the legal process is ongoing.

## ARAP TÜRK BANKASI A.Ş.

### NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### GENERAL INFORMATION ABOUT THE BANK (Continued)

#### III. INFORMATION ABOUT THE BANK'S CHAIRMAN AND MEMBERS OF BOARD OF DIRECTORS, MEMBERS OF AUDIT COMMITTEE, GENERAL MANAGER AND ASSISTANT GENERAL MANAGERS AND THEIR QUALIFICATIONS, RELATED CHANGES WITHIN THE YEAR AND THEIR SHARES AT THE BANK

##### Chairmen of the Board of Directors and Board Members

Name	Job Title – Description
Yasin Öztürk	Chairman of the Board of Directors
Mohamed Milad Ebrayik Hassadi	Deputy Chairman of the Board of Directors and Chairman of Audit Committee
Wail J. A. Belgasem	Member of the Board of Directors and General Manager
Selen Giyim	Member of the Board of Directors and Member of Audit Committee
İmge Hilal Soyloğlu Canlı	Member of the Board of Directors
Hüseyin Serdar Yücel	Member of the Board of Directors
Nouri Ali Mohamed Aboflega	Member of the Board of Directors
Abdalkhalig Mohamed M. Ibrahim	Member of the Board of Directors

Abdulkhalek Hussein Ergei resigned from his position on March 25, 2025.

Abdalkhalig Mohamed M. Ibrahim started his duties on January 16, 2025.

##### General Manager and Deputies

Name	Job Title – Description
Wail J. A. Belgasem	Member of the Board of Directors and General Manager
Salih Hatipoğlu <sup>(2)</sup>	Assistant General Manager - Financial Management, IT & Support Services Division
Zafer Basri Yüksel <sup>(1)</sup>	Assistant General Manager - Treasury, FI, Sales & Marketing Department

<sup>(1)</sup> He assumed office on March 17, 2025.

<sup>(2)</sup> He resigned from his position on May 2, 2025.

Members of the board and top level managers do not possess any share in the Bank.

#### IV. INFORMATION ON PEOPLE AND ENTITIES WHO HAVE QUALIFIED SHARE IN THE BANK

Name Surname/Entity Title	Share Amount	Share Percentage %	Paid-in Capital	Unpaid Capital
Libyan Foreign Bank	1,626,491	63.04%	1,626,491	-
T. İş Bankası A.Ş.	530,857	20.58%	530,857	-
T.C. Ziraat Bankası A.Ş.	398,143	15.43%	398,143	-

# ARAP TÜRK BANKASI A.Ş.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

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### GENERAL INFORMATION ABOUT THE BANK (Continued)

#### V. INFORMATION ABOUT THE SERVICES AND NATURE OF ACTIVITIES OF THE BANK

The Bank was established to incorporate commercial activities among Türkiye, Middle East and North African countries. The Bank is authorized to collect deposits and operates in corporate banking areas. The Bank has four branches; two in Istanbul, one in Ankara, and one in Gaziantep and has share participations in a subsidiary operating in financial leasing business.

#### VI. DIFFERENCES BETWEEN THE COMMUNIQUE ON PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS OF BANKS AND TURKISH ACCOUNTING STANDARDS AND SHORT EXPLANATION ABOUT THE ENTITIES SUBJECT TO FULL CONSOLIDATION OR PROPORTIONAL CONSOLIDATION AND ENTITIES WHICH ARE DEDUCTED FROM EQUITY OR ENTITIES WHICH ARE NOT INCLUDED IN THESE THREE METHODS

There is no difference for the Bank between the consolidation process according to the Turkish Accounting Standards and the Communiqué of the Preparation of Consolidated Financial Statements of Banks in Türkiye.

#### VII. THE EXISTING OR POTENTIAL, ACTUAL OR LEGAL OBSTACLES ON THE TRANSFER OF SHAREHOLDERS’ EQUITY BETWEEN THE BANK AND ITS SUBSIDIARIES OR THE REIMBURSEMENT OF LIABILITIES

None.



## **SECTION TWO**

### **UNCONSOLIDATED FINANCIAL STATEMENTS**

- I. BALANCE SHEET-ASSETS
- II. BALANCE SHEET-EQUITY AND LIABILITIES
- III. OFF-BALANCE SHEET COMMITMENTS
- IV. STATEMENT OF PROFIT OR LOSS
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- VI. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
- VII. STATEMENT OF CASH FLOWS

# ARAP TÜRK BANKASI A.Ş.

## UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

I- BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)		Note	CURRENT PERIOD			PRIOR PERIOD		
		Section 5	31.03.2025			31.12.2024		
ASSETS			TL	FC	TOTAL	TL	FC	TOTAL
I.	FINANCIAL ASSETS (Net)		1,051,345	7,276,920	8,328,265	439,046	7,443,662	7,882,708
1.1	Cash and Cash Equivalents	(1)	600,269	6,698,270	7,298,539	109,790	6,849,861	6,959,651
1.1.1	Cash and Balances with Central Bank		67,396	4,266,304	4,333,700	10,467	4,122,804	4,133,271
1.1.2	Banks	(4)	2,851	2,431,966	2,434,817	31,979	2,727,057	2,759,036
1.1.3	Money Markets		532,700	-	532,700	70,092	-	70,092
1.1.4	Expected Credit Loss (-)		2,678	-	2,678	2,748	-	2,748
1.2	Financial Assets Measured at Fair Value Through Profit or Loss	(2)	-	-	-	-	-	-
1.2.1	Government Securities		-	-	-	-	-	-
1.2.2	Equity Securities		-	-	-	-	-	-
1.2.3	Other Financial Assets		-	-	-	-	-	-
1.3	Financial Assets Measured at Fair Value Through Other Comprehensive Income	(5)	451,076	578,650	1,029,726	329,256	593,801	923,057
1.3.1	Government Securities		450,852	538,363	989,215	329,032	555,529	884,561
1.3.2	Equity Securities		224	2,355	2,579	224	2,170	2,394
1.3.3	Other Financial Assets		-	37,932	37,932	-	36,102	36,102
1.4	Derivative Financial Assets	(3)	-	-	-	-	-	-
1.4.1	Derivative Financial Assets Measured at Fair Value Through Profit or Loss		-	-	-	-	-	-
1.4.2	Derivative Financial Assets Measured at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
II.	FINANCIAL ASSETS MEASURED AT AMORTISED COST (Net)	(6)	1,981,093	8,783,527	10,764,620	959,859	8,041,926	9,001,785
2.1	Loans		1,894,724	6,009,134	7,903,858	952,182	4,913,450	5,865,632
2.2	Lease Receivables		-	-	-	-	-	-
2.3	Factoring Receivables		-	-	-	-	-	-
2.4	Other Financial Assets Measured at Amortised Cost	(7)	158,009	2,774,393	2,932,402	44,086	3,128,476	3,172,562
2.4.1	Government Securities		158,009	2,524,040	2,682,049	44,086	2,892,450	2,936,536
2.4.2	Other Financial Assets		-	250,353	250,353	-	236,026	236,026
2.5	Expected Credit Loss (-)		71,640	-	71,640	36,409	-	36,409
III.	ASSETS HELD FOR SALE PURPOSE AND RELATED TO DISCONTINUED OPERATIONS (Net)	(15)	-	-	-	-	-	-
3.1	Held for Sale Purpose		-	-	-	-	-	-
3.2	Related to Discontinued Operations		-	-	-	-	-	-
IV.	EQUITY INVESTMENTS		190,189	-	190,189	161,695	-	161,695
4.1	Associations (Net)	(8)	-	-	-	-	-	-
4.1.1	Associates Accounted Based on Equity Method		-	-	-	-	-	-
4.1.2	Unconsolidated Financial Subsidiaries		-	-	-	-	-	-
4.2	Subsidiaries (Net)	(9)	190,189	-	190,189	161,695	-	161,695
4.2.1	Unconsolidated Financial Subsidiaries		190,189	-	190,189	161,695	-	161,695
4.2.2	Unconsolidated Non-Financial Subsidiaries		-	-	-	-	-	-
4.3	Joint Ventures (Net)	(10)	-	-	-	-	-	-
4.3.1	Joint Ventures Accounted Based on Equity Method		-	-	-	-	-	-
4.3.2	Unconsolidated Joint Ventures		-	-	-	-	-	-
V.	TANGIBLE ASSETS (Net)		1,387,803	-	1,387,803	1,372,893	-	1,372,893
VI.	INTANGIBLE ASSETS (Net)		11,298	-	11,298	11,312	-	11,312
6.1	Goodwill		-	-	-	-	-	-
6.2	Other		11,298	-	11,298	11,312	-	11,312
VII.	INVESTMENT PROPERTY (Net)	(13)	-	-	-	-	-	-
VIII.	CURRENT TAX ASSET	(14)	-	-	-	-	-	-
IX.	DEFERRED TAX ASSET	(14)	-	-	-	-	-	-
X.	OTHER ASSETS (Net)	(16)	82,254	269,235	351,489	104,237	37,264	141,501
TOTAL ASSETS			4,703,982	16,329,682	21,033,664	3,049,042	15,522,852	18,571,894

The accompanying explanations and notes form an integral part of these financial statements

# ARAP TÜRK BANKASI A.Ş.

## UNCONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

II- BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)		Note	CURRENT PERIOD			PRIOR PERIOD		
LIABILITIES			31.03.2025			31.12.2024		
			TL	FC	TOTAL	TL	FC	TOTAL
I.	DEPOSITS	(1)	98,467	11,182,606	11,281,073	150,625	10,354,943	10,505,568
II.	FUNDS BORROWED	(3)	-	4,810,461	4,810,461	-	4,782,940	4,782,940
III.	MONEY MARKETS		-	-	-	-	-	-
IV.	SECURITIES ISSUED (Net)		-	-	-	-	-	-
4.1	Bills		-	-	-	-	-	-
4.2	Asset Backed Securities		-	-	-	-	-	-
4.3	Bonds		-	-	-	-	-	-
V.	FUNDS		-	-	-	-	-	-
5.1	Borrower Funds		-	-	-	-	-	-
5.2	Other		-	-	-	-	-	-
VI.	FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-	-	-	-	-
VII.	DERIVATIVE FINANCIAL LIABILITIES	(2)	-	-	-	-	-	-
7.1	Derivative Financial Liabilities at Fair Value Through Profit or Loss		-	-	-	-	-	-
7.2	Derivative Financial Liabilities at Fair Value Through Other Comprehensive Income		-	-	-	-	-	-
VIII.	FACTORING LIABILITES		-	-	-	-	-	-
IX.	LEASE LIABILITIES (Net)	(5)	7,570	854	8,424	4,068	881	4,949
X.	PROVISIONS	(7)	201,759	25,974	227,733	171,586	24,187	195,773
10.1	Restructuring Provisions		-	-	-	-	-	-
10.2	Reserve for Employee Benefits		128,184	-	128,184	107,546	-	107,546
10.3	Insurance Technical Provisions (Net)		-	-	-	-	-	-
10.4	Other Provisions		73,575	25,974	99,549	64,040	24,187	88,227
XI.	CURRENT TAX LIABILITY	(8)	126,038	-	126,038	63,568	-	63,568
XII.	DEFERRED TAX LIABILITY		71,035	-	71,035	90,715	-	90,715
XIII.	LIABILITIES FOR ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS (Net)		-	-	-	-	-	-
13.1	Held for Sale Purpose		-	-	-	-	-	-
13.2	Related to Discontinued Operations		-	-	-	-	-	-
XIV.	SUBORDINATED DEBT INSTRUMENTS		-	-	-	-	-	-
14.1	Loans		-	-	-	-	-	-
14.2	Other Debt Instruments		-	-	-	-	-	-
XV.	OTHER LIABILITIES	(4)	466,515	274,457	740,972	65,917	254,872	320,789
XVI.	SHAREHOLDERS' EQUITY	(9)	3,766,373	1,555	3,767,928	2,605,841	1,751	2,607,592
16.1	Paid-in capital		2,580,000	-	2,580,000	440,000	-	440,000
16.2	Capital Reserves		-	-	-	-	-	-
16.2.1	Share Premium		-	-	-	-	-	-
16.2.2	Share Cancellation Profits		-	-	-	-	-	-
16.2.3	Other Capital Reserves		-	-	-	-	-	-
16.3	Accumulated Other Comprehensive Income or Loss that will not be Reclassified to Profit or Loss		986,179	-	986,179	986,179	-	986,179
16.4	Accumulated Other Comprehensive Income or Loss that will be Reclassified to Profit or Loss		(140,175)	1,555	(138,620)	(143,054)	1,751	(141,303)
16.5	Profit Reserves		79,343	-	79,343	70,233	-	70,233
16.5.1	Legal Reserves		79,343	-	79,343	70,233	-	70,233
16.5.2	Status Reserves		-	-	-	-	-	-
16.5.3	Extraordinary Reserves		-	-	-	-	-	-
16.5.4	Other Profit Reserves		-	-	-	-	-	-
16.6	Profit or (Loss)		261,026	-	261,026	1,252,483	-	1,252,483
16.6.1	Prior Periods' Profit or (Loss)		173,078	-	173,078	1,070,295	-	1,070,295
16.6.2	Current Period Profit or (Loss)		87,948	-	87,948	182,188	-	182,188
TOTAL LIABILITIES			4,737,757	16,295,907	21,033,664	3,152,320	15,419,574	18,571,894

The accompanying explanations and notes form an integral part of these financial statements

# ARAP TÜRK BANKASI A.Ş.

## UNCONSOLIDATED STATEMENT OF OFF-BALANCE SHEET COMMITMENTS

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

III-OFF-BALANCE SHEET COMMITMENTS (I+II+III)	Note Section 5	CURRENT PERIOD 31.03.2025			PRIOR PERIOD 31.12.2024		
		TL	FC	TOTAL	TL	FC	TOTAL
<b>A. OFF-BALANCE SHEET COMMITMENTS (I+II+III)</b>		<b>1,631,442</b>	<b>16,362,357</b>	<b>17,993,799</b>	<b>1,094,770</b>	<b>15,203,695</b>	<b>16,298,465</b>
<b>I. GUARANTEES AND WARRANTIES</b>	(2)	<b>1,630,202</b>	<b>16,362,357</b>	<b>17,992,559</b>	<b>1,093,862</b>	<b>15,203,695</b>	<b>16,297,557</b>
1.1. Letters of Guarantee		1,630,202	10,993,089	12,623,291	1,093,862	10,332,269	11,426,131
1.1.1. Guarantees Subject to State Tender Law		55,660	-	55,660	81,714	239	81,953
1.1.2. Guarantees Given for Foreign Trade Operations		9,409	10,778,896	10,788,305	10,762	10,129,605	10,140,367
1.1.3. Other Letters of Guarantee		1,565,133	214,193	1,779,326	1,001,386	202,425	1,203,811
1.2. Bank Acceptances		-	-	-	-	-	-
1.2.1. Import Letter of Acceptance		-	-	-	-	-	-
1.2.2. Other Bank Acceptances		-	-	-	-	-	-
1.3. Letters of Credit		-	5,369,268	5,369,268	-	4,871,426	4,871,426
1.3.1. Documentary Letters of Credit		-	-	-	-	-	-
1.3.2. Other Letters of Credit		-	5,369,268	5,369,268	-	4,871,426	4,871,426
1.4. Prefinancing Given as Guarantee		-	-	-	-	-	-
1.5. Endorsements		-	-	-	-	-	-
1.5.1. Endorsements to the Central Bank of the Republic of Türkiye		-	-	-	-	-	-
1.5.2. Other Endorsements		-	-	-	-	-	-
1.6. Purchase Guarantees on Marketable Security Issuance		-	-	-	-	-	-
1.7. Factoring Guarantees		-	-	-	-	-	-
1.8. Other Guarantees		-	-	-	-	-	-
1.9. Other Collaterals		-	-	-	-	-	-
<b>II. COMMITMENTS</b>	(1)	<b>1,240</b>	<b>-</b>	<b>1,240</b>	<b>908</b>	<b>-</b>	<b>908</b>
2.1. Irrevocable Commitments		1,240	-	1,240	908	-	908
2.1.1. Asset Purchase and Sale Commitments		-	-	-	-	-	-
2.1.2. Deposit Purchase and Sales Commitments		-	-	-	-	-	-
2.1.3. Share Capital Commitments to Associates and Subsidiaries		-	-	-	-	-	-
2.1.4. Loan Granting Commitments		-	-	-	-	-	-
2.1.5. Securities Issue Brokerage Commitments		-	-	-	-	-	-
2.1.6. Commitments for Reserve Deposit Requirements		-	-	-	-	-	-
2.1.7. Commitments for Cheques		-	-	-	-	-	-
2.1.8. Tax and Fund Liabilities from Export Commitments		1,240	-	1,240	908	-	908
2.1.9. Commitments for Credit Card Limits		-	-	-	-	-	-
2.1.10. Commitments for Credit Cards and Banking Services Promotions		-	-	-	-	-	-
2.1.11. Receivables from Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.12. Payables for Short Sale Commitments of Marketable Securities		-	-	-	-	-	-
2.1.13. Other Irrevocable Commitments		-	-	-	-	-	-
2.2. Revocable Commitments		-	-	-	-	-	-
2.2.1. Revocable Loan Granting Commitments		-	-	-	-	-	-
2.2.2. Other Revocable Commitments		-	-	-	-	-	-
<b>III. DERIVATIVE FINANCIAL INSTRUMENTS</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
3.1. Hedging Derivative Financial Instruments		-	-	-	-	-	-
3.1.1. Transactions for Fair Value Hedge		-	-	-	-	-	-
3.1.2. Transactions for Cash Flow Hedge		-	-	-	-	-	-
3.1.3. Transactions for Foreign Net Investment Hedge		-	-	-	-	-	-
3.2. Trading Transactions		-	-	-	-	-	-
3.2.1. Forward Foreign Currency Buy/Sell Transactions		-	-	-	-	-	-
3.2.1.1. Forward Foreign Currency Transactions-Buy		-	-	-	-	-	-
3.2.1.2. Forward Foreign Currency Transactions-Sell		-	-	-	-	-	-
3.2.2. Swap Transactions Related to Foreign Currency and Interest Rates		-	-	-	-	-	-
3.2.2.1. Foreign Currency Swap-Buy		-	-	-	-	-	-
3.2.2.2. Foreign Currency Swap-Sell		-	-	-	-	-	-
3.2.2.3. Interest Rate Swap-Buy		-	-	-	-	-	-
3.2.2.4. Interest Rate Swap-Sell		-	-	-	-	-	-
3.2.3. Foreign Currency, Interest Rate and Securities Options		-	-	-	-	-	-
3.2.3.1. Foreign Currency Options-Buy		-	-	-	-	-	-
3.2.3.2. Foreign Currency Options-Sell		-	-	-	-	-	-
3.2.3.3. Interest Rate Options-Buy		-	-	-	-	-	-
3.2.3.4. Interest Rate Options-Sell		-	-	-	-	-	-
3.2.3.5. Securities Options-Buy		-	-	-	-	-	-
3.2.3.6. Securities Options-Sell		-	-	-	-	-	-
3.2.4. Foreign Currency Futures		-	-	-	-	-	-
3.2.4.1. Foreign Currency Futures-Buy		-	-	-	-	-	-
3.2.4.2. Foreign Currency Futures-Sell		-	-	-	-	-	-
3.2.5. Interest Rate Futures		-	-	-	-	-	-
3.2.5.1. Interest Rate Futures-Buy		-	-	-	-	-	-
3.2.5.2. Interest Rate Futures-Sell		-	-	-	-	-	-
3.2.6. Other		-	-	-	-	-	-
<b>B. CUSTODY AND PLEDGES RECEIVED (IV+V+VI)</b>		<b>1,392,799</b>	<b>1,723,430</b>	<b>3,116,229</b>	<b>876,130</b>	<b>1,696,752</b>	<b>2,572,882</b>
<b>IV. ITEMS HELD IN CUSTODY</b>		<b>11,059</b>	<b>-</b>	<b>11,059</b>	<b>5,981</b>	<b>-</b>	<b>5,981</b>
4.1. Customer Fund and Portfolio Balances		-	-	-	-	-	-
4.2. Investment Securities Held in Custody		-	-	-	-	-	-
4.3. Checks Received for Collection		11,059	-	11,059	5,981	-	5,981
4.4. Commercial Notes Received for Collection		-	-	-	-	-	-
4.5. Other Assets Received for Collection		-	-	-	-	-	-
4.6. Assets Received for Public Offering		-	-	-	-	-	-
4.7. Other Items Under Custody		-	-	-	-	-	-
4.8. Custodians		-	-	-	-	-	-
<b>V. PLEDGES RECEIVED</b>		<b>1,381,740</b>	<b>1,723,430</b>	<b>3,105,170</b>	<b>870,149</b>	<b>1,696,752</b>	<b>2,566,901</b>
5.1. Marketable Securities		-	-	-	-	-	-
5.2. Guarantee Notes		16,820	807,554	824,374	16,820	841,211	858,031
5.3. Commodity		-	-	-	-	-	-
5.4. Warranty		-	-	-	-	-	-
5.5. Immovable		106,394	913,928	1,020,322	106,394	853,783	960,177
5.6. Other Pledged Items		1,258,526	1,948	1,260,474	746,935	1,758	748,693
5.7. Pledged Items-Depository		-	-	-	-	-	-
<b>VI. ACCEPTED INDEPENDENT GUARANTEES AND WARRANTIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL OFF-BALANCE SHEET COMMITMENTS (A+B)</b>		<b>3,024,241</b>	<b>18,085,787</b>	<b>21,110,028</b>	<b>1,970,900</b>	<b>16,900,447</b>	<b>18,871,347</b>

The accompanying explanations and notes form an integral part of these financial statements

# ARAP TÜRK BANKASI A.Ş.

## UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

IV. -STATEMENT OF PROFIT OR LOSS		Note	Current Period 01.01.2025- 31.03.2025	Prior Period 01.01.2024- 31.03.2024
<b>I. INTEREST INCOME</b>	(1)		<b>402,523</b>	<b>260,117</b>
1.1 Interest on Loans			243,194	140,886
1.2 Interest on Reserve Requirements			3,285	899
1.3 Interest on Banks			18,134	17,698
1.4 Interest on Money Market Transactions			60,822	5,263
1.5 Interest on Marketable Securities Portfolio			76,495	95,307
1.5.1 Fair Value Through Profit or Loss			-	-
1.5.2 Fair Value Through Other Comprehensive Income			27,411	35,564
1.5.3 Measured at Amortised Cost			49,084	59,743
1.6 Financial Lease Income			-	-
1.7 Other Interest Income			593	64
<b>II. INTEREST EXPENSE (-)</b>	(2)		<b>77,100</b>	<b>88,346</b>
2.1 Interest on Deposits			18,363	29,713
2.2 Interest on Funds Borrowed			58,161	58,201
2.3 Interest Expense on Money Market Transactions			-	-
2.4 Interest on Securities Issued			-	-
2.5 Lease Interest Expenses			576	432
2.6 Other Interest Expenses			-	-
<b>III. NET INTEREST INCOME (I - II)</b>			<b>325,423</b>	<b>171,771</b>
<b>IV. NET FEES AND COMMISSIONS INCOME</b>			<b>77,667</b>	<b>43,319</b>
4.1 Fees and Commissions Received			82,458	49,865
4.1.1 Non-cash Loans			13,463	10,913
4.1.2 Other			68,995	38,952
4.2 Fees and Commissions Paid			4,791	6,546
4.2.1 Non-cash Loans			25	17
4.2.2 Other			4,766	6,529
<b>V. DIVIDEND INCOME</b>			<b>28,494</b>	<b>-</b>
<b>VI. TRADING INCOME /(LOSS) (Net)</b>	(3)		<b>23,083</b>	<b>37,077</b>
6.1 Trading Gains / (Losses) on Securities			-	35,747
6.2 Gains / (Losses) on Derivative Financial Transactions			-	-
6.3 Foreign Exchange Gains / (Losses)			23,083	1,330
<b>VII. OTHER OPERATING INCOME</b>	(4)		<b>10,148</b>	<b>19,618</b>
<b>VIII. GROSS OPERATING INCOME (III+IV+V+VI+VII+VIII)</b>			<b>464,815</b>	<b>271,785</b>
<b>IX. EXPECTED CREDIT LOSS (-)</b>	(5)		<b>48,063</b>	<b>351</b>
<b>X. OTHER PROVISION EXPENSE (-)</b>	(6)		<b>11,187</b>	<b>9,636</b>
<b>XI. PERSONNEL EXPENSE (-)</b>			<b>198,729</b>	<b>144,545</b>
<b>XII. OTHER OPERATING EXPENSES (-)</b>	(7)		<b>99,714</b>	<b>76,399</b>
<b>XIII. NET OPERATING INCOME/(LOSS) (VIII-IX-X)</b>			<b>107,122</b>	<b>40,854</b>
<b>XIV. EXCESS AMOUNT RECORDED AS INCOME AFTER MERGER</b>			-	-
<b>XV. INCOME/(LOSS) FROM INVESTMENTS IN SUBSIDIARIES CONSOLIDATED BASED ON EQUITY METHOD</b>			-	-
<b>XVI. INCOME/(LOSS) ON NET MONETARY POSITION</b>			-	-
<b>XVII. PROFIT/LOSS BEFORE TAX FROM CONTINUED OPERATIONS (XII+...+XV)</b>	(8)		<b>107,122</b>	<b>40,854</b>
<b>XVIII. TAX PROVISION FOR CONTINUED OPERATIONS (±)</b>	(9)		<b>(19,174)</b>	<b>(5,270)</b>
18.1 Current Tax Provision			(39,992)	(7,147)
18.2 Deferred Tax Income Effect (+)			6,043	19,672
18.3 Deferred Tax Expense Effect (-)			26,861	21,549
<b>XIX. CURRENT PERIOD PROFIT/LOSS FROM CONTINUED OPERATIONS (XVI±XVII)</b>	(10)		<b>87,948</b>	<b>35,584</b>
<b>XX. INCOME FROM DISCONTINUED OPERATIONS</b>			-	-
20.1 Income from Non-current Assets Held for Sale			-	-
20.2 Profit from Sales of Associates, Subsidiaries and Joint Ventures			-	-
20.3 Income from Other Discontinued Operations			-	-
<b>XXI. EXPENSES FOR DISCONTINUED OPERATIONS (-)</b>			-	-
21.1 Expenses for Non-current Assets Held for Sale			-	-
21.2 Loss from Sales of Associates, Subsidiaries and Joint Ventures			-	-
21.3 Expenses for Other Discontinued Operations			-	-
<b>XXII. PROFIT/LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS (XIX-XX)</b>			-	-
<b>XXIII. TAX PROVISION FOR DISCONTINUED OPERATIONS (±)</b>			-	-
23.1 Current Tax Provision			-	-
23.2 Deferred Tax Expense Effect (+)			-	-
23.3 Deferred Tax Income Effect (-)			-	-
<b>XXIV. CURRENT PERIOD PROFIT/LOSS FROM DISCONTINUED OPERATIONS (XXI±XXII)</b>			-	-
<b>XXV. NET PROFIT/(LOSS) (XVIII+XXIII)</b>	(11)		<b>87,948</b>	<b>35,584</b>
Earning/(Loss) per share (in TL full)			0.0003	0.0008

The accompanying explanations and notes form an integral part of these financial statements

**ARAP TÜRK BANKASI A.Ş.****UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

<b>V.-STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME</b>		<b>Current Period</b>	<b>Prior Period</b>
		<b>1 January- 31 March 2025</b>	<b>1 January- 31 March 2024</b>
<b>I.</b>	<b>CURRENT PERIOD PROFIT/LOSS</b>	<b>87,948</b>	<b>35,584</b>
<b>II.</b>	<b>OTHER COMPREHENSIVE INCOME</b>	<b>2,683</b>	<b>(45,544)</b>
2.1	Other Comprehensive Income That will Not Be Reclassified To Profit or Loss	-	-
2.1.1	Tangible Assets Revaluation Increase/Decrease	-	-
2.1.2	Intangible Assets Revaluation Increase/Decrease	-	-
2.1.3	Defined Benefit Pension Plan Remeasurement Gain/Loss	-	-
2.1.4	Other Comprehensive Income Items Not Reclassified Through Profit or Loss	-	-
2.1.5	Tax Related Other Comprehensive Income Items Not Reclassified Through Profit or Loss	-	-
<b>2.2</b>	<b>Reclassified to Profit or Loss</b>	<b>2,683</b>	<b>(45,544)</b>
2.2.1	Foreign Currency Translation Differences	-	-
2.2.2	Valuation and/or Reclassification Income/Expense of the Financial Assets at Fair Value through Other	3,821	(64,815)
2.2.3	Gains/Loses from Cash Flow Hedges	-	-
2.2.4	Hedge Income/Expense from Hedge of Investment in Foreign Operation	-	-
2.2.5	Other Comprehensive Income Items Reclassified Through Profit or Losses	-	-
2.2.6	Tax Related Other Comprehensive Income Items Reclassified Through Profit or Loss	(1,138)	19,271
<b>III.</b>	<b>TOTAL COMPREHENSIVE INCOME (I+II)</b>	<b>90,631</b>	<b>(9,960)</b>

The accompanying explanations and notes form an integral part of these financial statements

# ARAP TÜRK BANKASI A.Ş.

## UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

					Other Comprehensive Income/ Expense Items not to be Recycled to Profit or Loss			Other Comprehensive Income/ Expense Items to be Recycled to Profit or Loss						
VI. - STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Paid-in capital	Share premium	Share certificate cancel profits	Other capital reser	1	2	3	4	5	6	Profit reserves	Prior period net income/(loss)	Current period net income/(loss)	Total Equity
<b>CURRENT PERIOD</b>														
<b>31 March 2025</b>														
<b>I. Balance at the beginning of the period</b>	<b>440,000</b>	-	-	-	<b>1,018,871</b>	<b>(32,692)</b>	-	-	<b>(141,303)</b>	-	<b>70,233</b>	<b>1,070,295</b>	<b>182,188</b>	<b>2,607,592</b>
<b>II. Adjustment in accordance with TAS 8</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effect of adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effect of changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III. New balance (I+II)</b>	<b>440,000</b>	-	-	-	<b>1,018,871</b>	<b>(32,692)</b>	-	-	<b>(141,303)</b>	-	<b>70,233</b>	<b>1,070,295</b>	<b>182,188</b>	<b>2,607,592</b>
<b>IV. Total comprehensive income (loss)</b>	-	-	-	-	-	-	-	-	<b>2,683</b>	-	-	-	<b>87,948</b>	<b>90,631</b>
<b>V. Capital increase in cash</b>	<b>1,069,705</b>	-	-	-	-	-	-	-	-	-	-	-	-	<b>1,069,705</b>
<b>VI. Capital increase through internal reserves</b>	<b>1,070,295</b>	-	-	-	-	-	-	-	-	-	-	<b>(1,070,295)</b>	-	-
<b>VII. Issued capital inflation adjustment difference</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VIII. Convertible bonds</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>IX. Subordinated debt</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>X. Increase (decrease) through other changes, equity</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XI. Profit distribution</b>	-	-	-	-	-	-	-	-	-	-	<b>9,110</b>	<b>173,078</b>	<b>(182,188)</b>	-
11.1 Dividends distributed	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to legal reserves	-	-	-	-	-	-	-	-	-	-	<b>9,110</b>	<b>173,078</b>	<b>(182,188)</b>	-
11.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balances (III+IV+..... +X+XI)</b>	<b>2,580,000</b>	-	-	-	<b>1,018,871</b>	<b>(32,692)</b>	-	-	<b>(138,620)</b>	-	<b>79,343</b>	<b>173,078</b>	<b>87,948</b>	<b>3,767,928</b>

- Increases and decreases in Tangible and Intangible Assets Revaluation Reserve,
- Accumulated Gains/ Losses on Remeasurements of Defined Plans,
- Other ( Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss and Other Accumulated Amounts of other Comprehensive Income that will not be Reclassified to Profit or Loss),
- Exchange Differences on Translation,
- Accumulated gains(losses) due for revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income
- Other(Accumulated Gains or Losses on Cash Flow Hedges, Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income that will be Reclassified to Profit or Loss)

The accompanying explanations and notes form an integral part of these financial statements

# ARAP TÜRK BANKASI A.Ş.

## UNCONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIOD ENDED 31 MARCH 2024

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

					Other Comprehensive Income/ Expense Items not to be Recycled to Profit or Loss			Other Comprehensive Income/ Expense Items to be Recycled to Profit or Loss						
VI. - STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	Paid-in capital	Share premium	Share certificate cancel profits	Other capital reser	1	2	3	4	5	6	Profit reserves	Prior period net income/(loss)	Current period net income/(loss)	Total Equity
<b>CURRENT PERIOD</b> <b>31 March 2025</b>														
<b>I. Balance at the beginning of the period</b>	<b>440,000</b>	-	-	-	<b>682,693</b>	<b>(29,987)</b>	-	-	<b>(92,994)</b>	-	<b>62,400</b>	<b>921,471</b>	<b>156,657</b>	<b>2,140,240</b>
<b>II. Adjustment in accordance with TAS 8</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Effect of adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Effect of changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>III. New balance (I+II)</b>	<b>440,000</b>	-	-	-	<b>682,693</b>	<b>(29,987)</b>	-	-	<b>(92,994)</b>	-	<b>62,400</b>	<b>921,471</b>	<b>156,657</b>	<b>2,140,240</b>
<b>IV. Total comprehensive income (loss)</b>	-	-	-	-	-	-	-	-	<b>(45,544)</b>	-	-	-	<b>35,584</b>	<b>(9,960)</b>
<b>V. Capital increase in cash</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VI. Capital increase through internal reserves</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VII. Issued capital inflation adjustment difference</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>VIII. Convertible bonds</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>IX. Subordinated debt</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>X. Increase (decrease) through other changes, equity</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>XI. Profit distribution</b>	-	-	-	-	-	-	-	-	-	-	<b>7,833</b>	<b>148,824</b>	<b>(156,657)</b>	-
11.1 Dividends distributed	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.2 Transfers to legal reserves	-	-	-	-	-	-	-	-	-	-	<b>7,833</b>	<b>148,824</b>	<b>(156,657)</b>	-
11.3 Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balances (III+IV+..... +X+XI)</b>	<b>440,000</b>	-	-	-	<b>682,693</b>	<b>(29,987)</b>	-	-	<b>(138,538)</b>	-	<b>70,233</b>	<b>1,070,295</b>	<b>35,584</b>	<b>2,130,280</b>

1. Increases and decreases in Tangible and Intangible Assets Revaluation Reserve,
2. Accumulated Gains/ Losses on Remeasurements of Defined Plans,
3. Other ( Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will not be Reclassified to Profit or Loss and Other Accumulated Amounts of other Comprehensive Income that will not be Reclassified to Profit or Loss),
4. Exchange Differences on Translation,
5. Accumulated gains(losses) due for revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income
6. Other(Accumulated Gains or Losses on Cash Flow Hedges, Other Comprehensive Income of Associates and Joint Ventures Accounted for Using Equity Method that will be Reclassified to Profit or Loss and Other Accumulated Amounts of Other Comprehensive Income that will be Reclassified to Profit or Loss)

The accompanying explanations and notes form an integral part of these financial statements



# ARAP TÜRK BANKASI A.Ş.

## UNCONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Note	Current Period 01.01.2025 -31.03.2025	Prior Period 01.01.2024 -31.03.2024
<b>VII-STATEMENT OF CASH FLOWS</b>			
<b>A. CASH FLOWS FROM BANKING OPERATIONS</b>			
<b>1.1 Operating Profit Before Changes in Operating Assets and Liabilities</b>		<b>817,883</b>	<b>189,309</b>
1.1.1 Interest Received		514,602	290,835
1.1.2 Interest Paid		(26,087)	(65,129)
1.1.3 Dividend Received		-	-
1.1.4 Fees and Commissions Received		82,458	49,865
1.1.5 Other Income		44,553	44,600
1.1.6 Collections from Previously Written-off Loans and Other Receivables		-	-
1.1.7 Payments to Personnel and Service Suppliers		(224,880)	(176,172)
1.1.8 Taxes Paid		(19,174)	(21,585)
1.1.9 Other		446,411	66,895
<b>1.2 Changes in Operating Assets and Liabilities</b>		<b>(3,505,820)</b>	<b>24,363</b>
1.2.1 Net Increase/Decrease in Financial Assets at Fair Value Through Profit or Loss		-	33,040
1.2.2 Net (increase) / decrease in due from banks and other financial institutions		-	-
1.2.3 Net (increase) / decrease in loans		(1,756,995)	(148,624)
1.2.4 Net (increase) / decrease in other assets		(698,703)	(58,823)
1.2.5 Net increase / (decrease) in bank deposits		456,619	458,701
1.2.6 Net increase / (decrease) in other deposits		(572,715)	258,153
1.2.7 Net Increase/Decrease in Financial Liabilities at Fair Value Through Profit or Loss		-	-
1.2.8 Net increase / (decrease) in funds borrowed		(387,559)	(644,559)
1.2.9 Net increase / (decrease) in payables		-	-
1.2.10 Net increase / (decrease) in other liabilities		(546,468)	126,475
<b>I. Net Cash Provided from Banking Operations</b>		<b>(2,687,938)</b>	<b>213,672</b>
<b>B. CASH FLOWS FROM INVESTMENT ACTIVITIES</b>			
<b>II. Net Cash Provided from Investing Activities</b>		<b>1,601,514</b>	<b>1,293,311</b>
2.1 Cash paid for acquisition of investments, associates and subsidiaries		-	-
2.2 Cash obtained from disposal of investments, associates and subsidiaries		-	-
2.3 Purchases of tangible assets		(19,521)	(2,884)
2.4 Disposals of tangible assets		120	-
2.5 Purchase of Financial Assets at Fair Value Through Other Comprehensive Income		(126,171)	-
2.6 Sale of Financial Assets at Fair Value Through Other Comprehensive Income		563,954	1,003,437
2.7 Purchase of Financial Assets Measured at Amortised Cost		(125,292)	-
2.8 Sale of Financial Assets Measured at Amortised Cost		1,310,182	294,120
2.9 Other		(1,758)	(1,362)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>III. Net Cash Provided from Financing Activities</b>		<b>1,069,128</b>	<b>(432)</b>
3.1 Cash Obtained from Funds Borrowed and Securities Issued		-	-
3.2 Cash Used for Repayment of Funds Borrowed and Securities Issued		-	-
3.3 Issued Equity Instruments		1,069,705	-
3.4 Dividends Paid		-	-
3.5 Payments for Finance Leases		(577)	(432)
3.6 Other		-	-
<b>IV. Effect of Change in Foreign Exchange Rate on Cash and Cash Equivalents</b>		<b>338,913</b>	<b>295,167</b>
<b>V. Net Decrease/ Increase in Cash and Cash Equivalents (I+II+III+IV)</b>		<b>321,617</b>	<b>1,801,718</b>
<b>VI. Cash and Cash Equivalents at the Beginning of the Period</b>		<b>4,457,685</b>	<b>2,246,382</b>
<b>VII. Cash and Cash Equivalents at the End of the Period</b>		<b>4,779,302</b>	<b>4,048,100</b>

The accompanying explanations and notes form an integral part of these financial statements

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**SECTION THREE**

**EXPLANATIONS ON ACCOUNTING POLICIES**

**I. EXPLANATIONS FOR BASIS OF PRESENTATION**

The unconsolidated financial statements are prepared within the scope of the "Regulation on Accounting Applications for Banks and Safeguarding of Documents" related with Banking Act numbered 5411 published in the Official Gazette no.26333 dated 1 November 2006 and other regulations related to reporting principles on accounting records of Banks published by Banking Regulation and Supervision Agency and circulars and interpretations published by Banking Regulation and Supervision Authority (together referred as BRSA Accounting and Reporting Legislation) and in case where a specific regulation is not made by BRSA, Turkish Accounting Standards and Turkish Financial Reporting Standards ("TFRS") and related appendices and interpretations (referred as "Turkish Accounting Standards" or "TAS") put into effect by Public Oversight Accounting and Auditing Standards Authority ("POA") (all referred as "Reporting Standards").

The format and content of the publicly announced unconsolidated financial statements and notes to these statements have been prepared in accordance with the "Communiqué on Publicly Announced Financial Statements, Explanations and Notes to These Financial Statements", published in Official Gazette no. 28337, dated 28 June 2012, and amendments to this Communiqué. The Bank maintains its books in Turkish Lira in accordance with the Banking Act, Turkish Commercial Code and Turkish Tax Legislation.

With the announcement dated 23 November 2023, POA announced that the financial statements of the entities applying the Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be prepared in accordance with the Financial Reporting Standard in Hyperinflationary Economies ("TAS 29"), however, institutions or organisations authorised to regulate and supervise in their fields may determine different transition dates for the implementation of TAS 29. Based on this announcement of POA, BRSA has decided not to subject the financial statements of banks and financial leasing, factoring, financing, savings finance and asset management companies as of 31 December 2023 to inflation adjustment required under TAS 29 with its decision dated 12 December 2023 and numbered 10744. In accordance with the BRSA's decision dated 11 January 2024 and numbered 10825; banks, financial leasing, factoring, financing, savings finance and asset management companies will apply inflation accounting as of 1 January 2025. Additionally, according to the BDDK's decision numbered 11021, dated December 5, 2024, it was decided that banks, as well as financial leasing, factoring, financing, savings financing, and asset management companies, would not apply inflation accounting in 2025 either.

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosed contingent assets and liabilities at the date of the balance sheet and the reported amounts of revenues and expenses during the period. Although these estimates are based on management's best judgement and knowledge, actual results may differ from these estimates. The assumptions and estimates used are disclosed in the related notes.

The financial statements have been prepared on the cost basis except for property, plant and equipment and financial assets and liabilities which are carried at fair value. The accounting policies and valuation principles applied for the proper understanding of the financial statements are explained in Notes II to XXIV.

Effective from 1 January 2025, the amendments to TAS/TFRS do not have a significant impact on the Bank's accounting policies, financial position and performance. The amendments to TAS and TFRS issued but not yet effective as of the date of finalisation of the financial statements are not expected to have a significant impact on the accounting policies, financial position and performance of the Bank.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**II. STRATEGY OF USING FINANCIAL INSTRUMENTS AND EXPLANATIONS ON FOREIGN CURRENCY TRANSACTIONS**

The Bank's core business activities include corporate banking, commercial banking, securities transactions (Treasury operations) and international banking services. The Bank uses financial instruments intensively due to its nature. The Bank's funding sources are deposits, borrowings and shareholders' equity, which are invested in high quality financial assets. The Bank monitors the balance of the resources utilised and the placements made in various financial assets in terms of risk and return with an effective asset - liability management strategy.

The Bank's transactions in foreign currencies are accounted for in accordance with TAS 21 - The Effects of Changes in Foreign Exchange Rates and foreign exchange gains and losses arising from foreign currency transactions are translated into Turkish Lira at the exchange rates prevailing at the dates of the transactions.

At the end of each period, foreign currency assets and liabilities are translated into Turkish Lira at the exchange rates prevailing at the balance sheet date and the resulting exchange differences are recognised as foreign exchange gains and losses.

**III. DISCLOSURES RELATED TO SUBSIDIARIES**

A subsidiary is an entity over which the Bank has the power to govern the financial and operating policies so as to obtain benefits from its activities. In the unconsolidated financial statements, the subsidiary is recognised at cost, less any provision for impairment in accordance with "TAS 27 - Separate Financial Statements".

**IV. INFORMATION ON FORWARD TRANSACTIONS, OPTIONS AND DERIVATIVE INSTRUMENTS**

Derivative financial instruments of the Bank are classified under "TFRS 9 Financial Instruments" ("TFRS 9"), "Derivative Financial Assets Designated at Fair Value through Profit or Loss".

Derivatives are initially recorded at their purchase costs including the transaction costs. The notional amounts of derivative transactions are recorded in off-balance sheet accounts based on their contractual amounts.

The derivative transactions are measured at fair value subsequent to initial recognition and if the fair value of a derivative financial instrument is positive, it is disclosed under trading derivative financial assets and if the fair value difference is negative, it is disclosed under trading derivative financial liabilities.

Gains and losses arising from a change in fair value of trading derivatives after the re-measurement are accounted in the statement of profit or loss. The fair value of the derivative financial instruments is calculated using market prices by using discounted cash flows model.

**V. INFORMATION ON INTEREST INCOME AND EXPENSE**

Interest income and expense are recognized according to the effective interest method based on accrual basis. Effective interest rate is the rate that discounts the expected cash flows of financial assets or liabilities during their lifetimes to their carrying values. Effective interest rate is calculated when a financial asset or a liability is initially recorded and is not modified thereafter.

The computation of effective interest rate comprises discounts and premiums, fees and commissions paid or received and transaction costs. Transaction costs are additional costs that are directly related to the acquisition, issuance or disposal of financial assets or liabilities.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**VI. INFORMATION ON FEES AND COMMISSION**

Fees and commission income and expenses are calculated on an accrual basis according to the nature of the fees and commissions and included in the effective interest method, and income provided through contracts or through the purchase of assets for a third real or legal person is recognised in the periods in which they are realised.

**VII. INFORMATION ON FINANCIAL ASSETS**

Financial assets are recognized or derecognized according to TFRS 9 Financial Instruments Part 3 Recognition and Derecognition. Financial assets are measured at fair value at initial recognition in the financial statements. During the initial recognition of financial assets other than "Financial Assets at Fair Value Through Profit or Loss", transaction costs are added to fair value or deducted from fair value. They are included in the balance sheet of the group if the Parent Bank is a legal party to these instruments.

The Bank categorizes its financial assets as "Fair Value Through Profit/Loss", "Fair Value Through Other Comprehensive Income" or "Measured at Amortized Cost". Financial instruments comprise financial assets and liabilities and derivative instruments. This classification is based on the contractual cash flow characteristics of the related business model used for management of the financial assets at initial recognition.

**a. Financial Assets at Fair Value through Profit or Loss**

"Financial assets at fair value through profit/loss" are financial assets that are either acquired for generating a profit from short term fluctuations in prices or are financial assets included in a portfolio aiming to short-term profit making.

Financial assets at the fair value through profit or loss are initially recognized at fair value and remeasured at their fair value after recognition. All gains and losses arising from these valuations are reflected in the statement of profit or loss.

Government bonds and treasury bills included in Financial Assets at Fair Value through Profit or Loss and Financial Assets at Fair Value Through Other Comprehensive Income portfolios traded in BIST are carried at weighted average exchange rates of BIST as of the balance sheet date and those securities that are not traded in BIST are carried at other valuation models. All gains and losses arising from these valuations are reflected in the statement of profit or loss.

**b. Financial Assets at Fair Value Through Other Comprehensive Income**

A financial asset is classified as at fair value through other comprehensive income when, in addition to holding the financial asset within a business model whose objective is to collect contractual cash flows and to sell the financial asset, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income are initially recognised at fair value plus transaction costs. Financial assets at fair value through other comprehensive income are subsequently measured at fair value. Interest income calculated using the effective interest method on marketable securities at fair value through other comprehensive income and dividend income on marketable securities representing a share in capital are recognised in the statement of profit or loss. The difference between the fair value and the amortised cost of financial assets at fair value through other comprehensive income, i.e. "Unrealised gains and losses", is not recognised in the statement of profit or loss until the collection of the fair value of the financial asset, sale, disposal or impairment of the financial asset, or until the asset is sold, disposed of or impaired, whichever occurs first.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**VII. INFORMATION ON FINANCIAL ASSETS (Continued)**

**b. Financial Assets at Fair Value Through Other Comprehensive Income (Continued)**

"Accumulated Other Comprehensive Income or Expenses to be Reclassified to Profit or Loss" account. When these securities are collected or disposed of, the accumulated fair value differences reflected in equity are recognised in the statement of profit or loss.

Subsequent changes in the value of investments in equity instruments are not recognised in the statement of profit or loss, except for dividends.

Investments in equity instruments that are not held for trading or that are recognised in the financial statements of the acquiree in a business combination to which IFRS 3 is applied are classified as Assets at Fair Value through Other Comprehensive Income, with an irrevocable election made on initial recognition.

Financial assets at fair value through other comprehensive income are subsequently measured at fair value. However, for securities that do not have a market price, pricing models or discounted cash flow techniques are used in the fair value calculation, depending on the type of security.

**c. Financial Assets Measured at Amortized Cost**

If the financial asset is held within a business model whose objective is to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, the financial asset is classified as a financial asset measured at amortised cost.

Financial assets measured at amortised cost are initially recognised at acquisition cost reflecting their fair value plus transaction costs and subsequently measured at amortised cost using the effective interest method. Interest income related to financial assets measured at amortised cost is recognised in the statement of profit or loss.

**d. Loans**

Loans are financial assets that have fixed or determinable payments terms and are not quoted in an active market. Loans are initially recognized at acquisition cost plus transaction costs presenting their fair value and thereafter measured at amortized cost using the "Effective Interest Rate Method".

Bank loans and receivables are initially carried at cost value. Bank loans are measured at amortized cost with internal rate of return. Fees paid for the assets received as collateral against loans, transaction costs and other costs such as transaction costs, it is a part of and charged to the customer.

All loans of the Bank are classified under "Financial Assets Measured at Amortised Cost".

**e. Impairment**

The Bank recognizes an impairment for financial assets measured at amortized cost and at fair value through other comprehensive income.

As of 1 January 2018, the Bank recognize provisions for impairment in accordance with TFRS 9 requirements according to the "Regulation on the Procedures and Principles for Classification of Loans by Banks and Provisions to be set aside" published in the Official Gazette dated 22 June 2016 numbered 29750. Method of provisions for impairment as set out in accordance with the related legislation of BRSA is changed by applying the expected credit loss model under TFRS 9. Expected loss estimate is unbiased, weighted by probabilities and includes supportable information about estimates of past events, current conditions and future economic conditions.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**VII. INFORMATION ON FINANCIAL ASSETS (Continued)**

**e. Impairment (Continued)**

The expected credit loss model includes instruments that are recorded at amortized cost or at fair value in other comprehensive income tables (such as bank deposits, loans and securities) and, in addition, financial lease receivables that are not measured at fair value through profit or loss, credit commitments and financial guarantee contracts.

Expected credit loss is an estimate of the expected credit losses over the life of a financial instrument also the following aspects are important for the measurement.

- 1) Probability-weighted and neutral amount determined by taking into account possible outcomes,
- 2) Time value of money,
- 3) Reasonable and supportable information on past events, current conditions and forecast of future economic conditions, at the time of reporting, without excessive cost and effort.

The expected 12 monthly credit loss values are part of the life expectancy loss calculation (within 12 months after the reporting date or within a shorter period if the life of a financial instrument is shorter than 12 months).

The main theme of the expected credit loss model can reflect the deterioration of the quality of financial instruments or the general view of recovery. The amount of expected credit loss, known as loss allowance or allowance, depends on the degree of credit deterioration. There are two measurements according to the general approach:

12-Month Expected Loss (1st Stage) is valid for all assets unless there is a significant deterioration in the quality of the loan.

Lifetime Expected Loss (2nd and 3rd Stage) is applied when a significant increase in credit risk occurs.

The following parameters are used in the calculation of expected credit loss;

Probability of Default: It denotes the possibility of default of the loan in the related term. The Bank's internal ratings are used in the calculation of the probability of default.

Loss in case of default refers to the expected loss rate from the loan in case of default

Default Amount: refers to the risk balance for cash loans and the risk balance calculated by using the credit conversion rate for non-cash loans.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**VII. INFORMATION ON FINANCIAL ASSETS (Continued)**

**e. Impairment (Continued)**

*Definition of Default*

The debtor can be considered as the Stage 3 under conditions where the debtor fails to pay his obligations regardless of past due and the guarantees the debtor has.

These conditions have stated below:

- 1) To have a past due more than 90 days.
- 2) The decision taken for bankruptcy or concordatum registration.
- 3) To have a loan classified as standard receivable by restructuring while monitored as non-performing loan and to have a past due more than 30 days of principal and/or interest payment delayed within the 1 year monitoring period or to have a loan restructured once more during this monitoring period.
- 4) Other neutral criteria deemed appropriate by management

*Significant increase in credit risk definition*

Loans are designated as the First Group (Standard loans), the Second Group (loans under close monitoring), the Third Group (loans with limited collection), the Fourth Group (loans in suspicious cases where the loss is expected) and the fifth group (Losses).

In this context, in the criteria applied for the loans classified in the first Group; the issue of future payment issues is not expected and the credit worthiness of the borrower of the loan has not weakened. In accordance with TFRS 9, loans subject to 12-month credit impairment are classified under the First Group (Stage 1).

The criteria applied for the credits classified in the Stage 2 are; unfavourable developments in debt payment or cash flows of debtors are observed or anticipated, problems arises in principal and / or interest payments in accordance with the terms of the loan agreement and the credit risk of the borrower is considerably increased. In accordance with TFRS 9, loans classified in the Stage 2 are subject to the provision of an expected lifetime loan loss provision.

The conditions for the loans classified in the stage 2 are stated below;

1. Past due more than 30 days,
2. The subject of in-bank restructuring,
3. High level negative investigation
4. Restructured

Loans classified as third, fourth and fifth groups are considered as non-performing loans. In accordance with TFRS 9, these loans, which are subject to a lifetime impairment application, are classified under the Stage 3.

The relevant Staging criteria and default definitions are set out in accordance with TFRS 9 regulation and specified in the monitoring policies.

Under the contractual cash flows, the cash flows from the sale of the collateral and the cash flows from the loans are also taken into account.

In accordance with TFRS 9, probability-weighted scenarios are taken into account over the expected life of the financial instrument in order to estimate the expected losses. The assessment consists of an assessment of the possible outcomes, including the amount and timing of cash flows for certain outputs and the identification of possible scenarios that indicate the estimated likelihood of that outcome.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**VII. INFORMATION ON FINANCIAL ASSETS (Continued)**

**e. Impairment (Continued)**

The Bank's loans have been evaluated and classified in accordance with the Regulation on the Procedures and Principles for the Classification of Loans and Provisions to be set aside and provisions have been set aside accordingly.

The Bank uses credit risk parameters and statistical models in the calculation of expected credit losses in accordance with the relevant legislation and accounting standards.

Expected credit losses are measured using reasonable and supportable information and taking into account historical information as well as future base, favorable and unfavorable macroeconomic forecasts by including macroeconomic variables. Within the scope of the macroeconomic model, the final forecast obtained by weighting three scenarios (base, optimistic and negative) is used. The main macroeconomic independent variables used in these forecasts are the changes in "USDTRY, Consumer Price Index, Producer Price Index, Current Account Balance and Foreign Trade Balance". Credit risk parameters used in the calculation of expected credit losses are reviewed and evaluated at least once a year within the framework of model validation processes. Macroeconomic forecasts and past default data of portfolios used in risk parameter models are re-evaluated every quarter in order to reflect changes in the economic conjuncture and updated if necessary.

**VIII. INFORMATION ON OFFSETTING FINANCIAL INSTRUMENTS**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**IX. INFORMATION ON SALE AND REPURCHASE AGREEMENTS AND LENDING OF FINANCIAL ASSETS**

Repurchase ("repo") and resale ("reverse repo") agreements of financial assets are followed at the balance sheet accounts. Financial assets which are sold to customers under repurchase agreements are categorized according to initial classification and are measured in accordance with the accounting policy of the related portfolio.

Funds obtained under repurchase agreements are accounted under funds provided under repurchase agreements in liability accounts. The interest expense accruals are calculated by means of internal rate of return method over the difference resulting from repurchase and sale prices for the relevant period.

Securities subject to repurchase ("reverse repo") agreements are reflected under receivables from reverse repurchase agreements. The difference between the purchase and resell price which is related with the period is computed with the effective interest rate method for accrued interest income.

As of the balance sheet date, there is no security lending transactions.



**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**X. INFORMATION ON ASSETS HELD FOR SALE AND RELATED TO DISCONTINUED OPERATIONS AND EXPLANATIONS ON LIABILITIES RELATED WITH THESE ASSETS**

Property and equipment held-for-sale consist of tangible assets that were acquired due to non-performing loans and receivables, and are accounted in the financial statements in accordance with the regulations of "Turkish Financial Reporting Standard for Assets Held for Sale and Discontinued Operations ("TFRS 5")".

The assets that meet the criteria of being classified under assets held for sale are measured at the lower of their book values or fair value less costs to be incurred for sale, depreciation for these assets is ceased and these assets are presented separately in the balance sheet. In order for an asset to be classified as an asset held for sale, the related asset (or the asset group to be disposed) shall be ready to be sold immediately under usual conditions and should have a high possibility to be sold. To have a high possibility of sale, a plan should have been made for the sale of the asset (or the asset group to be disposed) and an active program should have been started by the management, aiming to complete the plan and determine the buyers. The amount in the securities portfolio of the bank is very low.

In addition, the asset should be actively marketed at a price that is consistent with the true value.

A discontinued operation is a part of an entity which is classified as to be disposed or held for sale. The results related to discontinuing operations are presented separately in the statement of profit or loss. The Bank does not have any discontinued operations.

**XI. INFORMATION ON GOODWILL AND OTHER INTANGIBLE ASSETS**

There is no goodwill in the accompanying financial statements related to the acquisition of a subsidiary.

The Bank's intangible assets consist of software.

Intangible assets are initially recorded at their costs in compliance with the "TAS 38 - Intangible Assets".

The costs of the intangible assets purchased before 31 December 2004 are restated from the purchasing dates to 31 December 2004, the date the hyperinflationary period is considered to be ended. The intangible assets purchased after this date are recorded at their historical costs. The intangible assets are amortized based on straight line amortization. The useful life of software is determined as 3-15 years.

If there is objective evidence of impairment, the asset's recoverable amount is estimated in accordance with the "TAS 36 - Impairment of Assets" and if the recoverable amount is less than the carrying value of the related asset, a provision for impairment loss is made.

**XII. INFORMATION ON TANGIBLE ASSETS**

The costs of the tangible assets purchased before 31 December 2004 are restated from the purchasing dates to 31 December 2004, the date the hyperinflationary period is considered to be ended. In subsequent periods no inflation adjustment is made for tangible assets, and costs which are restated as of 31 December 2004 are considered as their historical costs. Tangible assets purchased after 1 January 2005 are recorded at their historical costs after foreign exchange differences and financial expenses are deducted if any.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)****XII. INFORMATION ON TANGIBLE ASSETS (Continued)**

While the Bank is using the cost model under the TAS 16 "Property, Plant and Equipment" for the valuation of the property under tangible assets, it changed in 2017 and switched to a revaluation model in the valuation of real estates in use. The property value in the appraisal report prepared by the appraisal company and the net book value the positive difference is monitored in equity accounts.

Gains and losses arising from the disposal of the tangible assets are calculated as the difference between the net book value and the net sales price and recognized in the statement of profit or loss of the period.

Maintenance and repair costs incurred for tangible assets are recorded as expense. Expenditures incurred that extend the useful life and service capacity of the assets are capitalized.

The depreciation rates used approximate the rates of the useful life of the tangible assets are as follows:

<b>Tangible Assets</b>	<b>Estimated Useful Life (Years)</b>	<b>Depreciation Rate (%)</b>
Buildings	37-44	2-3
Motor vehicles	5	20
Office equipment, furniture and fixture	3-50	2-33

There are no changes in the related accounting estimates that have a significant effect on the current period or are expected to have a significant effect in the following periods.

At each reporting date, the Bank assesses whether there is any indication that an asset may be impaired; if any such indication exists, the Bank estimates the recoverable amount of the related asset in accordance with TAS 36 - Impairment of Assets and recognises an impairment loss if the recoverable amount is less than the carrying amount of the related asset.

**XIII. INFORMATION ON LEASING TRANSACTIONS**

Property, plant and equipment acquired under finance leases are recognised as property, plant and equipment in the Bank's assets and as liabilities under finance leases in the Bank's liabilities. Finance costs arising from the lease are spread over the period so as to create a fixed interest rate during the lease term. Interest and foreign exchange losses on finance leases are recognised in the statement of profit or loss. Assets held under finance leases are depreciated on the same basis as for property, plant and equipment.

As of the end of the reporting period, the Bank does not have the authority to make financial leases as a lessor such as a financial leasing company.

**Explanations on TFRS 16 Leases Standard***Bank - as a tenant*

At inception of a contract, the Bank assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Bank recognises a right-of-use asset and a lease liability at the commencement date.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**XIII. INFORMATION ON LEASING TRANSACTIONS (Continued)**

*Right of use asset*

The right-of-use asset is initially recognised at cost and includes the following:

- a) the initial measurement amount of the lease liability,
- b) all lease payments made on or before the commencement date, less any lease incentives received,
- c) all initial direct costs incurred by the Bank

While the Bank applies the cost method, the right of use asset:

- a) net of accumulated depreciation and accumulated impairment losses and
- b) measured at cost adjusted for remeasurement of the lease liability.

When depreciating the right-of-use asset, the Bank applies the depreciation provisions of TAS 16 Property, Plant and Equipment.

*Rent obligation*

At the commencement date, the Bank measures the lease liability at the present value of the lease payments that are not paid at that date. Lease payments are discounted using an alternative borrowing interest rate.

At the commencement date, the lease payments included in the measurement of the lease liability consist of payments to be made for the right to use the underlying asset during the lease term that are not paid at the commencement date.

Subsequent to the commencement date, the Bank measures the lease liability as follows

- a) increase the carrying amount to reflect interest on the lease liability,
- b) decrease the carrying amount to reflect lease payments already made, and
- c) remeasure the carrying amount to reflect reassessments and restructurings or to reflect lease payments that are fixed in their revised substance.

Interest on the lease liability for each period of the lease term is calculated by applying a fixed periodic interest rate to the remaining balance of the lease liability.

**XIV. INFORMATION ON PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions and contingent liabilities are provided for in accordance with the "TAS 37 - Provisions, Contingent Liabilities and Contingent Assets", except for the general and specific provisions set aside for the loans and other receivables.

Provisions are recognized when the Bank has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made.

A provision for contingent liabilities arising from past events should be recognized in the same period of occurrence if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate the amount of the obligation can be made.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)****XIV. INFORMATION ON PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS (Continued)**

As of the balance sheet date, there are no probable contingent liabilities resulting from past events whose amount can be reliably measured.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements in which the change occurs.

**XV. INFORMATION ON LIABILITIES REGARDING EMPLOYEE BENEFITS***Reserve for other benefits to employees*

Under the Turkish Labour Law, the Bank is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated due to retirement or for reasons other than resignation or misconduct specified in the Turkish Labour Law, or for each employee who has completed one year of service and retires, is called up for military service or dies. In accordance with the provisions of "TAS 19 - Employee Benefits", the Bank calculates and recognises the present value of the future probable obligation of the Bank arising from the retirement pay liability by estimating the present value of the future probable obligation. Actuarial gains and losses are recognised under equity in accordance with TAS 19.

The Bank utilises independent actuaries in determining the liability and makes assumptions about discount rate and inflation. The assumptions related to the calculation are as follows.

	<b>Current Period</b>	<b>Prior Period</b>
Discount Rate	3.00%	3.00%
Inflation Rate	25.55%	25.55%

Vacation pay liability is calculated over the cumulative total of the number of unused vacation days calculated by deducting the vacation days used by all personnel from the legally entitled vacation period each year.

*Provisions for other employee benefits*

In accordance with the revised TAS 19, the Bank recognises a provision for other employee benefits in its financial statements based on the undiscounted amounts expected to be paid in exchange for the services provided by its employees during an accounting period.

**XVI. INFORMATION ON TAX APPLICATIONS****Corporate Tax**

With the Law No. 7456 published in the Official Gazette dated 15 July 2023 and numbered 32249, the corporate tax rate for banks has been determined as 30% and this rate has entered into force starting from the declarations to be submitted as of 1 October 2023 and to be applied to the corporate earnings of the accounting periods starting from 1 January 2023.

Corporate tax is payable at a rate applicable to the tax base calculated by adding back non-deductible expenses and deducting exemptions and deductions from taxable income. If no profit is distributed, no further tax is payable.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**XVI. INFORMATION ON TAX APPLICATIONS (Continued)**

**Corporate Tax (Continued)**

Advance taxes are calculated and paid in the first quarter of the year at the corporate tax rate applicable to that year's earnings. Advance taxes paid during the year can be offset against the corporate tax calculated on the annual corporate tax return for that year.

Dividends paid to corporations that have a place of business or a permanent representative in Türkiye and dividends paid to corporations resident in Türkiye are not subject to withholding tax. While 15% withholding tax is applied on dividend payments other than those made to non-resident institutions and resident institutions that earn income through a place of business or permanent representative in Türkiye, this rate was changed to 10% with the Presidential Decree published in the Official Gazette dated December 22, 2021 and numbered 31697. In the application of withholding tax rates on dividend payments to non-resident corporations and real persons, the practices in the relevant Double Tax Treaty Agreements are also taken into consideration. Addition of profit to capital is not considered as profit distribution and withholding tax is not applied.

Under the provisions of the Corporate Tax Law No. 5520, 50% of the gains arising from the sale of participation shares held in assets for at least two full years and founders' shares, redeemed shares and preemptive rights held for the same period are exempt from corporate tax, provided that they are held in a special fund account in liabilities until the end of the fifth year following the year of sale or added to capital and collected until the end of the second calendar year. 25% of the gains from the sale of immovable properties acquired before July 15, 2023 are exempt from corporate tax.

The Law No. 7352, which amends the Tax Procedure Law and the Corporate Tax Law, was enacted on January 20, 2022. According to this law, financial statements will not be subject to inflation adjustment for the fiscal years 2021 and 2022, including interim periods, as well as for the interim tax periods of the 2023 fiscal year, regardless of whether the conditions for inflation adjustment under Repeated Article 298 are met. In line with Law No. 7352, inflation adjustment will be applied to the financial statements as of December 31, 2024, and the resulting gain/loss from the inflation adjustment will be presented under retained earnings and will not be subject to taxation. With Article 17 of Law No. 7491, a new provision was added after the third paragraph of Provisional Article 33 of Law No. 213. According to this addition: "For banks, companies within the scope of the Financial Leasing, Factoring, Financing and Savings Financing Companies Law No. 6361 dated 21/11/2012, payment and electronic money institutions, authorized foreign exchange institutions, asset management companies, capital markets institutions, as well as insurance, reinsurance, and pension companies, the gain/loss differences arising from inflation adjustment made in the 2024 and 2025 fiscal years, including interim tax periods, shall not be considered in the determination of taxable income."

Türkiye has implemented the Domestic Minimum Corporate Tax through the laws published in the Official Gazette on August 2, 2024. This tax will be applied starting from the 2025 fiscal year. With the Law No. 7524, the Minimum Corporate Tax system has been introduced, and it stipulates that the calculated corporate tax, before deductions and exemptions, cannot be less than 10% of the corporate income. The regulation will come into effect on the publication date and will apply to corporate profits for the 2025 tax period. Additionally, the Corporate Tax General Communiqué No. 23 has been published on the subject.

**Global Minimum Complementary Corporate Tax**

In September 2023, the Public Oversight Accounting and Auditing Standards Authority (KGK) issued amendments to TAS 12 introducing a mandatory exception for recognizing and disclosing deferred tax assets and liabilities related to income taxes arising from the implementation of the OECD's Pillar Two Model Rules. These amendments clarify that TAS 12 applies to income taxes arising from tax laws enacted or substantively enacted to implement the OECD's Pillar Two Model Rules. They also introduce specific disclosure requirements for entities affected by such tax laws. The exemption from recognizing and disclosing deferred tax information in this context, and the disclosure that the exemption has been applied, are effective upon issuance of the amendments.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**XVI. INFORMATION ON TAX APPLICATIONS (Continued)**

**Global Minimum Complementary Corporate Tax(Continued)**

On July 16, 2024, a draft law was submitted to the Grand National Assembly of Türkiye to adopt the OECD's Global Minimum Tax rules (Pillar Two). These regulations came into force through legislation published in the Official Gazette on August 2, 2024. The implementation in Türkiye is largely aligned with the OECD's Pillar Two Model Rules and shows similarities in areas such as scope, exemptions, consolidation, tax calculations, and filing deadlines. Although secondary legislation detailing calculation methods and implementation has not yet been published, preliminary assessments based on the OECD regulations indicate that these arrangements are not expected to have a significant impact on the Bank's financial statements. Nevertheless, legislative developments continue to be monitored.

**Deferred tax**

Deferred tax assets and liabilities are recognized on temporary differences arising between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method in accordance with TAS 12 - Income Taxes and related BRSA guidance. For tax purposes, differences that affect neither the taxable profit nor the accounting profit at the date of acquisition of assets and liabilities are excluded from this calculation.

If transactions and other events are recognized in profit or loss, the related tax effects are also recognized in profit or loss. If transactions and other events are recognized directly in equity, the related tax effects are also recognized directly in equity. Deferred tax assets and deferred tax liabilities are netted off in the financial statements.

In accordance with Article 298 of the Tax Procedure Law, since the Tax Procedure Law Financial Statements dated 31 December 2024 will be subject to inflation adjustment in accordance with Article 298 of the Tax Procedure Law, the tax advantage that will be provided in the future periods by the increase in the value of fixed assets from non-monetary items is shown in the deferred tax asset in the financial statements dated 31 March 2025.

**Transfer Pricing**

Under the heading of disguised profit distribution through transfer pricing in Article 13 of the Corporate Tax Law, the issue of transfer pricing is discussed and the "General Communiqué on Disguised Profit Distribution through Transfer Pricing" published on 18 November 2007 sets out the details of this issue in practice.

According to the Communiqué, if taxpayers engage in transactions with related parties (individuals) for the purchase and sale of goods, services or products, where the prices are not set in accordance with the arm's length principle, it will be concluded that the related profits are distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing will not be deductible from the tax base for corporate tax purposes.

**XVII. ADDITIONAL INFORMATION ON BORROWINGS**

The Bank accounts for its borrowing instruments in accordance with TFRS 9 "Financial Instruments" standard and evaluates all its financial liabilities with the "effective interest rate" method in subsequent periods. There are no borrowings required to apply the hedging techniques in respect of the accounting and valuation methods of borrowing instruments and liabilities that represent borrowing.

The Bank did not issue any stocks convertible into bonds.

The Bank does not have borrowing instruments issued by itself.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**EXPLANATIONS ON ACCOUNTING POLICIES (Continued)**

**XVIII. INFORMATION ON SHARE ISSUANCES**

The Bank has not issued any share in the current year.

**XIX. EXPLANATIONS ON ACCEPTANCES AND ACCEPTANCES**

Advances and acceptances are realised simultaneously with the payments of the customers and the commitments are presented in off-balance sheet accounts as off-balance sheet liabilities.

There are no acceptances and acceptances recognised as a liability against assets.

**XX. INFORMATION ON GOVERNMENT INCENTIVES**

The Bank has not received any government grants and subsidies.

**XXI. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments which their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. The carrying amount of these assets is their fair value. Cash and cash equivalents and bank balances are stated at the period-end foreign exchange buying rate at the Bank's office.

For the purpose of the statement of cash flows, "Cash" is defined as cash on hand, effectives, gold, money in transit, cheques purchased and demand deposits at banks including the Central Bank of the Republic of Türkiye and "Cash Equivalents" are defined as interbank money market placements with original maturities of less than three months and time deposits at banks.

**XXII. INFORMATION ON SEGMENT REPORTING**

An operating segment is a distinguishable component of the Bank that engages in the provision of a single product or service or a group of related products or services and that is characterised by risks and returns that are different from those of other segments. Reporting by operating segments is presented in Section Four, Note VIII.

**XXIII. OTHER DISCLOSURES**

**Profit reserves and distribution of profit**

Retained earnings, other than the legal reserves, are available for distribution, subject to the legal reserve requirement set out below.

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code ("TCC"). The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in share capital. The second legal reserve is appropriated at the rate of 10% of all cash distributions in excess of 5% of the paid-in share capital. Under the TCC, the legal reserves can only be used to offset losses and are not available for dividend distribution unless they exceed 50% of paid-in share capital.

**Related parties**

For the purpose of these financial statements, shareholders, key management personnel and board members, in each case together with their families and companies controlled by or affiliated with them, associates and joint ventures are considered and referred to as related parties in accordance with TAS 24 - Related Party Disclosures.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

## SECTION FOUR

## INFORMATION ON THE FINANCIAL POSITION OF THE BANK

## I. INFORMATION ON SHAREHOLDER'S EQUITY

The Bank's capital adequacy standard ratio is 21.76%. (31 December 2024: 20.09%). The capital adequacy standard ratio is calculated based on the Regulation on Equity of Banks, Regulation on Measurement and Assessment of Capital Adequacy of Banks, BRSA decision dated 12 December 2023 and numbered 10747 and other related legal regulations. In accordance with the aforementioned Board decision, the amount subject to credit risk is calculated by using the foreign exchange buying rates of the Central Bank of the Republic of Türkiye as of 26 June 2023 and the equity is calculated without taking into account the negative net valuation differences of the securities acquired before 1 January 2024 and included in the "Securities at Fair Value Through Other Comprehensive Income" portfolio.

## Information on equity items

	Current Period	Prior Period
<b>TIER II CAPITAL</b>	<b>3,767,928</b>	<b>2,607,592</b>
Paid-in capital following all debts in terms of claim in liquidation of the Bank	2,580,000	440,000
Share issue premiums	-	-
Reserves	79,342	70,233
Gains recognized in equity as per TAS	847,560	844,876
Profit	261,026	1,252,483
Current Period Profit	87,948	182,188
Prior Period Profit	173,078	1,070,295
Shares acquired free of charge from subsidiaries, affiliates and jointly controlled partnerships and cannot be recognised within profit for the period	-	-
<b>Common Equity Tier 1 Capital Before Deductions</b>	<b>3,767,928</b>	<b>2,607,592</b>
<b>Deductions from Common Equity Tier 1 Capital</b>	<b>11,309</b>	<b>11,323</b>
Common Equity as per the 1st clause of Provisional Article 9 of the Regulation on the Equity of Banks	-	-
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS	-	-
Improvement costs for operating leasing	11	11
Goodwill (net of related tax liability)	-	-
Other intangibles other than mortgage-servicing rights (net of related tax liability)	11,298	11,312
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
Differences are not recognized at the fair value of assets and liabilities subject to hedge of cash flow risk	-	-
Communiqué Related to Principles of the amount credit risk calculated with the Internal Ratings Based Approach, total expected loss amount exceeds the total provision	-	-
Gains arising from securitization transactions	-	-
Unrealized gains and losses due to changes in own credit risk on fair valued liabilities	-	-
Defined-benefit pension fund net assets	-	-
Direct and indirect investments of the Bank in its own Common Equity	-	-
Shares obtained contrary to the 4th clause of the 56th Article of the Law	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Portion of mortgage servicing rights exceeding 10% of the Common Equity	-	-
Portion of deferred tax assets based on temporary differences exceeding 10% of the Common Equity	-	-
Amount exceeding 15% of the common equity as per the 2nd clause of the Provisional Article 2 of the Regulation on the Equity of Banks	-	-
Excess amount arising from the net long positions of investments in common equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital	-	-
Excess amount arising from mortgage servicing rights	-	-
Excess amount arising from deferred tax assets based on temporary differences	-	-
Other items to be defined by the BRSA	-	-
Deductions to be made from common equity due to insufficient Additional Tier I Capital or Tier II Capital	-	-
<b>Total Deductions From Common Equity Tier 1 Capital</b>	<b>11,309</b>	<b>11,323</b>
<b>Total Common Equity Tier 1 Capital</b>	<b>3,756,619</b>	<b>2,596,269</b>



# ARAP TÜRK BANKASI A.Ş.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

### INFORMATION ON THE FINANCIAL POSITION OF THE BANK (Continued)

#### I. INFORMATION ON SHAREHOLDER'S EQUITY (Continued)

	Current Period	Prior Period
<b>ADDITIONAL TIER I CAPITAL</b>		
Preferred Stock not Included in Common Equity and the Related Share Premiums	-	-
Debt instruments and premiums approved by BRSA	-	-
Debt instruments and premiums approved by BRSA (Temporary Article 4)	-	-
<b>Additional Tier I Capital Before Deductions</b>	-	-
<b>Deductions from Additional Tier I Capital</b>	-	-
Direct and indirect investments of the Bank in its own Additional Tier I Capital	-	-
Investments of Bank to Banks that invest in Bank's additional equity and components of equity issued by financial institutions with compatible with Article 7.	-	-
Total of Net Long Positions of the Investments in Equity Items of Unconsolidated Banks and Financial Institutions where the Bank Owns 10% or less of the Issued Share Capital Exceeding the 10% Threshold of above Tier I Capital	-	-
The Total of Net Long Position of the Direct or Indirect Investments in Additional Tier I Capital of Unconsolidated Banks and Financial Institutions where the Bank Owns more than 10% of the Issued Share Capital	-	-
Other items to be defined by the BRSA	-	-
<b>Transition from the Core Capital to Continue to deduce Components</b>	-	-
Goodwill and other intangible assets and related deferred tax liabilities which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Net deferred tax asset/liability which is not deducted from Common Equity Tier 1 capital for the purposes of the sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
Deductions to be made from common equity in the case that adequate Additional Tier I Capital or Tier II Capital is not available (-)	-	-
<b>Total Deductions From Additional Tier I Capital</b>	-	-
<b>Total Additional Tier I Capital</b>	-	-
<b>Total Tier I Capital (Tier I Capital=Common Equity+Additional Tier I Capital)</b>	<b>3,756,619</b>	<b>2,596,269</b>
<b>TIER II CAPITAL</b>		
Debt instruments and share issue premiums deemed suitable by the BRSA	-	-
Debt instruments and share issue premiums deemed suitable by BRSA (Temporary Article 4)	-	-
Provisions (Article 8 of the Regulation on the Equity of Banks)	138,066	103,984
<b>Tier II Capital Before Deductions</b>	<b>138,066</b>	<b>103,984</b>
<b>Deductions From Tier II Capital</b>	-	-
Direct and indirect investments of the Bank on its own Tier II Capital (-)	-	-
Investments of Bank to Banks that invest on Bank's Tier 2 and components of equity issued by financial institutions with the conditions declared in Article 8.	-	-
Portion of the total of net long positions of investments made in equity items of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or less of the issued common share capital exceeding 10% of Common Equity of the Bank (-)	-	-
Portion of the total of net long positions of investments made in Additional Tier I Capital item of banks and financial institutions outside the scope of consolidation where the Bank owns 10% or more of the issued common share capital exceeding 10% of Common Equity of the Bank	-	-
Other items to be defined by the BRSA (-)	-	-
<b>Total Deductions from Tier II Capital</b>	-	-
<b>Total Tier II Capital</b>	<b>138,066</b>	<b>103,984</b>
<b>Total Capital (The sum of Tier I Capital and Tier II Capital)</b>	<b>3,894,685</b>	<b>2,700,253</b>
<b>The sum of Tier I Capital and Tier II Capital (Total Capital)</b>	<b>3,894,685</b>	<b>2,700,253</b>
Deductions from Capital Loans granted contrary to the 50th and 51st Article of the Law	-	-
Net Book Values of Movables and Immovable Exceeding the Limit Defined in the Article 57, Clause 1 of the Banking Law and the Assets Acquired against Overdue Receivables and Held for Sale but Retained more than Five Years	-	-
Other items to be defined by the BRSA (-)	-	-
<b>In transition from Total Core Capital and Supplementary Capital (the capital) to Continue to Download Components</b>	-	-
The Sum of net long positions of investments (the portion which exceeds the 10% of Banks Common Equity) in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

## INFORMATION ON THE FINANCIAL POSITION OF THE BANK (Continued)

## I. INFORMATION ON SHAREHOLDER'S EQUITY (Continued)

	Current Period	Prior Period
The Sum of net long positions of investments in the Additional Tier 1 capital and Tier 2 capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity which will not deducted from Common Equity Tier 1 capital, Additional Tier 1 capital, Tier 2 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
The Sum of net long positions of investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity, mortgage servicing rights, deferred tax assets arising from temporary differences which will not deducted from Common Equity Tier 1 capital for the purposes of the first sub-paragraph of the Provisional Article 2 of the Regulation on Banks' Own Funds (-)	-	-
<b>TOTAL CAPITAL</b>	<b>3,894,685</b>	<b>2,700,253</b>
Total Capital	3,894,685	2,700,253
Total risk weighted amounts	18,807,812	14,447,586
<b>Capital Adequacy Ratios</b>		
Core Capital Adequacy Ratio (%)	21.03	19.37
Tier 1 Capital Adequacy Ratio (%)	21.03	19.37
Capital Adequacy Ratio (%) <sup>(2)</sup>	21.76	20.09
<b>BUFFERS</b>		
Total buffer requirement	2.929	2.897
Capital conservation buffer requirement (%)	2.500	2.500
Bank specific counter-cyclical buffer requirement (%)	0.429	0.397
The ratio of Additional Common Equity Tier 1 capital which will be calculated by the first paragraph of the Article 4 of Regulation on Capital Conservation and Countercyclical Capital buffers to Risk Weighted Assets (%)	16.53	14.87
<b>Amounts below the Excess Limits as per the Deduction Principles</b>	-	-
Portion of the total of net long positions of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Portion of the total of investments in equity items of unconsolidated banks and financial institutions where the bank owns 10% or less of the issued share capital exceeding the 10% threshold of above Tier I capital	-	-
Amount arising from deferred tax assets based on temporary differences	-	-
Limits related to provisions considered in Tier II calculation	-	-
<b>Limits related to provisions considered in Tier II calculation</b>		
General provisions for standard based receivables (before tenthousandtwentyfive limitation)	138,066	103,984
Up to 1.25% of total risk-weighted amount of general reserves for receivables where the standard approach used	138,066	103,984
Excess amount of total provision amount to credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
Excess amount of total provision amount to 0.6% of risk weighted receivables of credit risk Amount of the Internal Ratings Based Approach in accordance with the Communiqué on the Calculation	-	-
<b>Debt instruments</b>		
<b>(to be implemented between January 1, 2018 and January 1, 2022)</b>		
Upper limit for Additional Tier I Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier I Capital subjected to temporary Article 4	-	-
Upper limit for Additional Tier II Capital subjected to temporary Article 4	-	-
Amounts Excess the Limits of Additional Tier II Capital subjected to temporary Article 4	-	-

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

## INFORMATION ON THE FINANCIAL POSITION OF THE BANK (Continued)

## I. INFORMATION ON SHAREHOLDER'S EQUITY (Continued)

Within the scope of the Bank's internal capital adequacy assessment process, the approach applied to assess the adequacy of the internal capital requirement in terms of current and future activities

Within the scope of internal capital adequacy assessment, the Bank has reports, procedures, etc. In these studies; under the main headings of evaluation of the current year in terms of capital adequacy and development of legal ratios and evaluation of budget forecasts in terms of capital adequacy and development of legal ratios; there are detailed evaluations on quantifiable risks and non-quantifiable risks and all significant risks are covered.

## Information on debt instruments to be included in equity calculation

None.

## Explanations required for the reconciliation between the statement of shareholders' equity and the balance sheet amounts

Current Period	Balance sheet value	Amount of adjustment	Value at capital report
Paid-in capital	2,580,000	-	2,580,000
Other Capital Reserves	-	-	-
Bonus Shares which are not accounted in the current period profit or loss of Associates, Subsidiaries and Joint-Ventures	-	-	-
Portion of the current and prior periods' losses which cannot be covered through reserves and losses reflected in equity in accordance with TAS (-)	-	-	-
Accumulated Other Comprehensive Income or Loss Not Reclassified Through Profit or Loss	986,179	-	986,179
Accumulated Other Comprehensive Income or Loss Reclassified Through Profit or Loss	(138,619)	-	(138,620)
Profit Reserves	79,342	-	79,343
Profit or Loss	261,026	-	261,026
Prior Periods' Profit/Loss	173,078	-	173,078
Current Period Net Profit/Loss	87,948	-	87,948
Deductions from Common Equity Tier I Capital (*)	-	11,309	(11,309)
<b>Common Equity Tier 1 capital</b>	-	-	<b>3,756,619</b>
Tier 1 capital	-	-	<b>3,756,619</b>
Provisions	-	(138,066)	138,066
<b>Tier 2 capital (**)</b>	-	(138,066)	138,066
Shareholders' Equity Adjustments (***)	-	-	-
<b>Total Shareholders' Equity</b>	<b>3,767,928</b>	<b>(126,757)</b>	<b>3,894,685</b>

(\*) The regulations cover Common Equity Tier 1 capital adjustments within the framework of paragraphs 9-1-b and c.

(\*\*) The regulations cover general loan provisions included in Tier 2 capital within the framework of paragraphs 8-1-a.

(\*\*\*) The regulations cover Shareholders' Equity adjustments within the framework of paragraphs 9-8-ç.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION ON THE FINANCIAL POSITION OF THE BANK (Continued)****II. INFORMATION ON FOREIGN CURRENCY EXCHANGE RATE RISK**

**Whether the Bank is exposed to foreign exchange risk, whether the effects of this situation are estimated, and whether the board of directors of the Bank sets limits for positions that are monitored daily**

The Bank complies with net general position-shareholder's equity limits. The Bank has the possibility to borrow a significant amount of foreign currency.

Within the context of the market risk management work of the Risk Management Department, the Bank's Exchange rate risk is calculated and analyzed taking different dimensions of the issue in consideration. The Exchange rate risk is measured according to market risk calculated using the Standard Method and is included in the capital adequacy ratio. For testing effects of the unexpected exchange rate fluctuations on the Bank monthly basis stress test analysis are done. In addition, by classifying the changes in risk factors different scenario analysis are done based on different exchange rate expectations. The sensitivity of assets, liabilities and off-balance sheets against exchange rate are measured by an analysis on a monthly basis.

**The magnitude of hedging foreign currency debt instruments and net foreign currency investments by using hedging derivatives**

The Bank does not have any financial derivatives used for hedging.

**Foreign exchange risk management policy**

Transactions are being hedged according to the Central Bank of Türkiye's basket of currencies instantly. Manageable and measurable risks are taken in the scope of the regulatory limits.

**Foreign exchange buying rates of the last five business days before the balance sheet date as publicly announced by the Bank, are as follows**

<b>Date</b>	<b>US Dollars</b>	<b>Euro</b>
21 March 2025	37.9150	41.1915
24 March 2025	37.8502	41.0195
25 March 2025	37.8600	41.0400
26 March 2025	37.9086	40.9489
27 March 2025	37.9287	40.9326
28 March 2025	37.9323	40.8740
Balance Sheet Valuation Rate	37.9323	40.8740

**The basic arithmetical average of the bank's foreign exchange bid rate for the last thirty days**

In March 2025, with the simple arithmetic average, the US dollar exchange buying rate is TL 36.9707 and the Euro exchange buying rate is TL 39.8706.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

## INFORMATION ON THE FINANCIAL POSITION OF THE BANK (Continued)

## II. INFORMATION ON FOREIGN CURRENCY EXCHANGE RATE RISK (Continued)

Information on Currency Risk <sup>(1)</sup>

Current Period	Euro	US Dollars	Other	Total
<b>Assets</b>				
Cash (Cash in Vault, Foreign currencies, Cash in Transit, Cheques Purchased) and Balances with the Central Bank of Türkiye	1,939,615	2,320,761	5,928	4,266,304
Banks	497,291	1,871,037	63,638	2,431,966
Financial Assets Measured at Fair Value through Profit or Loss	-	-	-	-
Interbank Money Market Placements	-	-	-	-
Financial Assets Measured at Fair Value through Other Comprehensive Income	520,480	58,170	-	578,650
Loans	1,959,120	4,050,014	-	6,009,134
Investments in Subsidiaries and Associates	-	-	-	-
Financial Assets Measured at Amortised Cost	1,544,182	1,230,211	-	2,774,393
Financial Derivative held for Hedging (Assets)	-	-	-	-
Tangible Assets	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets	83,543	185,692	-	269,235
<b>Total Assets<sup>(1)</sup></b>	<b>6,544,231</b>	<b>9,715,885</b>	<b>69,566</b>	<b>16,329,682</b>
<b>Liabilities</b>				
Bank Deposits	2,042,997	1,905,375	2,448	3,950,820
Foreign Currency Deposits	2,772,101	4,402,324	57,361	7,231,786
Money Market Borrowings	-	-	-	-
Funds Borrowed from Other Financial Institutions	1,644,409	3,166,052	-	4,810,461
Marketable Securities Issued	-	-	-	-
Miscellaneous Payables	-	-	-	-
Financial Derivatives held for Hedging (Liabilities)	-	-	-	-
Other Liabilities	71,288	226,774	3,223	301,285
<b>Total Liabilities</b>	<b>6,530,795</b>	<b>9,700,525</b>	<b>63,032</b>	<b>16,294,352</b>
<b>Net Balance Sheet Position</b>	<b>13,436</b>	<b>15,360</b>	<b>6,534</b>	<b>35,330</b>
<b>Net Off Balance Sheet Position</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Financial Derivatives (Assets)	-	-	-	-
Financial Derivatives (Liabilities)	-	-	-	-
Non-Cash Loans	6,267,897	8,387,625	1,706,835	16,362,357
<b>Prior Period</b>				
Total Assets	5,776,232	9,674,698	71,922	15,522,852
Total Liabilities	5,746,007	9,617,150	54,666	15,417,823
Balance Sheet Position, net	30,225	57,548	17,256	105,029
Off Balance Sheet Position, net	-	-	-	-
Financial Derivatives (Assets)	-	-	-	-
Financial Derivatives (Liabilities)	-	-	-	-
Non-Cash Loans	5,274,092	8,359,222	1,570,381	15,203,695

<sup>(1)</sup> In accordance with the "Regulation on Calculation and Application of Foreign Currency Net General Position/Shareholders' Equity Standard Ratio on Consolidated and Unconsolidated Basis by Banks", shareholders' equity amounting to TL 1,555 is not taken into consideration in the calculation of foreign currency risk.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION ON THE FINANCIAL POSITION OF THE BANK (Continued)****I. INFORMATION ON FOREIGN CURRENCY EXCHANGE RATE RISK (Continued)****Exposed currency risk**

The increase/(decrease) in equity and statement of profit or loss (excluding tax effect) for the periods ended 31 December 2024, 31 March 2024 and 31 March 2025, assuming a 10 percent depreciation/appreciation of the TL against the following currencies, is shown in the table below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Assuming 10 percent appreciation of TL;

	Current Period		Prior Period	
	Statement of Profit or Loss	Shareholders' Equity <sup>(1)</sup>	Statement of Profit or Loss	Shareholders' Equity <sup>(1)</sup>
Euro	(1,326)	(1,344)	(437)	(3,023)
US Dollar	(1,399)	(1,535)	1,084	(5,754)
Other Currencies	(653)	(653)	(1,466)	(1,726)
<b>Total</b>	<b>(3,378)</b>	<b>(3,532)</b>	<b>(819)</b>	<b>(10,503)</b>

<sup>(1)</sup> The effect on shareholders' equity also includes the effect on the profit/loss.

Assuming 10 percent depreciation of TL;

	Current Period		Prior Period	
	Statement of Profit or Loss	Shareholders' Equity <sup>(1)</sup>	Statement of Profit or Loss	Shareholders' Equity <sup>(1)</sup>
Euro	1,326	1,344	437	3,023
US Dollar	1,399	1,535	(1,084)	5,754
Other Currencies	653	653	1,466	1,726
<b>Total</b>	<b>1,326</b>	<b>1,344</b>	<b>819</b>	<b>10,503</b>

<sup>(1)</sup> The effect on shareholders' equity also includes the effect on the profit/loss.

**III. INFORMATION ON INTEREST RATE RISK****Interest rate sensitivity of the assets, liabilities and off-balance sheet items**

Within the context of the market risk management of the Risk Management Department, the Bank's interest rate risk is calculated and analyzed taking different dimensions of the issue in consideration. The interest rate risk is measured according to market risk calculated using the standard method and is included in the capital adequacy ratio. To test the effect of the interest rate fluctuations on the Bank monthly based stress test analysis are done.

In addition, by classifying the changes in risk factors different scenario analysis are done based on different interest rate expectations. The sensitivity of assets, liabilities and off-balance sheets against interest rate are measured by an analysis on a monthly basis.

**The expected effects of the fluctuations of market interest rates on the Bank's financial position and cash flows, the expectations for interest income, and the limits the board of directors has established on daily interest rates**

The early warning limit for the Securities Duration Risk/Total Assets ratio was set by the Board of Directors at a maximum of 10%, with a maximum limit of 12% and a maximum exception of 14%; and for the Interest Rate Risk arising from Banking Accounts/Total Equity ratio, the early warning limit was set at a maximum of 17%, with a maximum limit of 18% and a maximum exception of 19%.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

## INFORMATION ON THE FINANCIAL POSITION OF THE BANK (Continued)

## III. INFORMATION ON INTEREST RATE RISK (Continued)

The precautions taken for the interest rate risk the Bank was exposed to during the current year and their expected effects on net income and shareholders' equity in the future periods

Although the increase in interest rates have a limited negative effect on the Bank's financial position the Bank's Equity structure is able to confront the negative effects of possible fluctuations in the interest rates.

## Information related to interest rate sensitivity of assets, liabilities and off-balance sheet items

In terms of time remaining to repricing

Current Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non- Interest Bearing	Total
<b>Assets</b>							
Cash (cash in vault, foreign currencies, cash in transit, cheques purchased) and balances with the Central Bank of Türkiye	-	-	-	-	-	4,333,700	4,333,700
Banks	2,434,817	-	-	-	-	-	2,434,817
Financial assets at fair value through Profit or Loss	-	-	-	-	-	-	-
Interbank Money Market Placements	532,700	-	-	-	-	-	532,700
Financial Assets at Fair Value Through Other Comprehensive Income	511,780	8,336	143,767	316,351	46,912	2,580	1,029,726
Loans	1,890,424	3,682,591	1,941,242	346,456	-	43,145	7,903,858
Financial Assets Measured at Amortized Cost	759,648	292,216	1,575,620	304,918	-	-	2,932,402
Other assets <sup>(1)</sup>	-	-	-	-	-	1,866,461	1,866,461
<b>Total assets</b>	<b>6,129,369</b>	<b>3,983,143</b>	<b>3,660,629</b>	<b>967,725</b>	<b>46,912</b>	<b>6,245,886</b>	<b>21,033,664</b>
<b>Liabilities</b>							
Bank Deposits	3,192,654	758,721	-	-	-	12	3,951,387
Other Deposits	229,350	480,374	48,173	-	-	6,571,789	7,329,686
Money Market Borrowings	-	-	-	-	-	-	-
Miscellaneous Payables	-	-	-	-	-	-	-
Marketable Securities Issued	-	-	-	-	-	-	-
Funds Borrowed From Other Fin. Ins.	-	2,222,042	2,588,419	-	-	-	4,810,461
Other Liabilities <sup>(2)</sup>	601	1,218	3,517	3,088	-	4,933,706	4,942,130
<b>Total liabilities</b>	<b>3,422,605</b>	<b>3,462,355</b>	<b>2,640,109</b>	<b>3,088</b>	<b>-</b>	<b>11,505,507</b>	<b>21,033,664</b>
Long Position in the Balance Sheet	2,706,764	520,788	1,020,520	964,637	46,912	-	5,259,621
Short Position in the Balance Sheet	-	-	-	-	-	(5,259,621)	(5,259,621)
Long Position in the Off-balance Sheet	-	-	-	-	-	-	-
Short Position in the Off-balance Sheet	-	-	-	-	-	-	-
<b>Total Position</b>	<b>2,706,764</b>	<b>520,788</b>	<b>1,020,520</b>	<b>964,637</b>	<b>46,912</b>	<b>(5,259,621)</b>	<b>-</b>

(1) Other assets in the non-interest bearing column amounting to TL 1,866,461 consist of Property, Plant and Equipment amounting to TL 1,387,803, Investments in Associates amounting to TL 190,189, Provisions for Expected Losses amounting to TL 74,318, Intangible Assets amounting to TL 11,298, Other Assets amounting to TL 351,489 and other unallocated amounts.

(2) The amount of TL 4,933,706 in other liabilities non-interest bearing column consists of equity amounting to TL 3,767,928, provisions amounting to TL 227,733, current tax liability amounting to TL 126,038, deferred tax liability amounting to TL 71,035 and non-interest bearing amounts included in other liabilities amounting to TL 740,972.

# ARAP TÜRK BANKASI A.Ş.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

### INFORMATION ON THE FINANCIAL POSITION OF THE BANK (Continued)

#### III. INFORMATION ON INTEREST RATE RISK (Continued)

Prior Period	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Years and Over	Non-Interest Bearing	Total
<b>Assets</b>							
Cash (cash in vault, foreign currencies, cash in transit, cheques purchased) and balances with the Central Bank of Türkiye	-	-	-	-	-	4,133,271	4,133,271
Banks	2,759,036	-	-	-	-	-	2,759,036
Financial assets at fair value through Profit or Loss	-	-	-	-	-	-	-
Interbank Money Market Placements	70,092	-	-	-	-	-	70,092
Financial Assets at Fair Value Through Other Comprehensive Income	4,575	530,404	7,949	329,280	48,453	2,396	923,057
Loans	1,280,003	1,758,036	2,330,058	496,427	-	1,108	5,865,632
Financial Assets Measured at Amortized Cost	42,424	1,267,182	754,465	1,108,491	-	-	3,172,562
Other assets <sup>(1)</sup>	-	-	-	-	-	1,648,244	1,648,244
<b>Total assets</b>	<b>4,156,130</b>	<b>3,555,622</b>	<b>3,092,472</b>	<b>1,934,198</b>	<b>48,453</b>	<b>5,785,019</b>	<b>18,571,894</b>
<b>Liabilities</b>							
Bank Deposits	2,502,368	707,064	-	-	-	-	3,209,432
Other Deposits	238,613	60,203	413,059	505	-	6,583,756	7,296,136
Money Market Borrowings	-	-	-	-	-	-	-
Miscellaneous Payables	-	-	-	-	-	-	-
Marketable Securities Issued	-	-	-	-	-	-	-
Funds Borrowed From Other Fin. Ins.	1,466,863	1,298,540	2,017,537	-	-	-	4,782,940
Other Liabilities <sup>(2)</sup>	531	1,078	1,752	1,588	-	3,278,437	3,283,386
<b>Total liabilities</b>	<b>4,208,375</b>	<b>2,066,885</b>	<b>2,432,348</b>	<b>2,093</b>	<b>-</b>	<b>9,862,193</b>	<b>18,571,894</b>
Long Position in the Balance Sheet	-	1,488,737	660,124	1,932,105	48,453	-	4,129,419
Short Position in the Balance Sheet	(52,245)	-	-	-	-	(4,077,174)	(4,129,419)
Long Position in the Off-balance Sheet	-	-	-	-	-	-	-
Short Position in the Off-balance Sheet	-	-	-	-	-	-	-
<b>Total Position</b>	<b>(52,245)</b>	<b>1,488,737</b>	<b>660,124</b>	<b>1,932,105</b>	<b>48,453</b>	<b>(4,077,174)</b>	<b>-</b>

- (1) Other assets in the non-interest bearing column amounting to TL 1,648,244 consists of Property, Plant and Equipment amounting to TL 1,372,893, Investments in Associates amounting to TL 161,695, Provisions for Expected Losses amounting to TL 39,157, Intangible Assets amounting to TL 11,312, Other Assets amounting to TL 141,501 and other unallocated amounts.
- (2) The amount of TL 3,278,437 in other liabilities non-interest bearing column consists of equity amounting to TL 2,607,592, provisions amounting to TL 195,773, current tax liability amounting to TL 63,568, deferred tax liability amounting to TL 90,715 and non-interest bearing amounts included in other liabilities amounting to TL 320,789.



## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

## INFORMATION ON THE FINANCIAL POSITION OF THE BANK (Continue

## III. INFORMATION ON INTEREST RATE RISK (Continued)

## Average interest rates applied to monetary financial instruments (%)

Current Period	EURO	US Dollars	TL
<b>Assets</b>			
Cash (cash in vault, effectives, money in transit, cheques purchased) and balances with the Central Bank of Türkiye.	-	-	-
Banks	2.55	4.26	-
Financial Assets at Fair Value Through Profit or Loss	-	-	-
Money Market Placements	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	3.27	8.42	17.37
Loans	6.26	7.07	44.28
Financial Assets Measured at Amortized Cost	-	-	37.06
<b>Liabilities</b>			
Interbank Deposits	3.73	6.50	-
Other Deposits	0.53	1.32	34.46
Money Market Borrowings	-	-	-
Miscellaneous Payables	-	-	-
Marketable Securities Issued	-	-	-
Funds Borrowed from Other Financial Institutions	3.58	5.64	-
<b>Prior Period</b>	<b>EURO</b>	<b>US Dollars</b>	<b>TL</b>
<b>Assets</b>			
Cash (cash in vault, effectives, money in transit, cheques purchased) and balances with the Central Bank of Türkiye.	-	-	8.50
Banks	2.95	4.75	-
Financial Assets at Fair Value Through Profit or Loss	-	-	-
Money Market Placements	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	3.27	6.21	10.65
Loans	9.19	7.59	51.33
Financial Assets Measured at Amortized Cost	4.23	7.76	19.22
<b>Liabilities</b>			
Interbank Deposits	5.07	7.10	-
Other Deposits	0.48	2.84	48.75
Money Market Borrowings	-	-	-
Miscellaneous Payables	-	-	-
Marketable Securities Issued	-	-	-
Funds Borrowed from Other Financial Institutions	4.09	6.07	-

## IV. INFORMATION ON STOCK POSITION RISK

## Equity investment risk due from banking book

The Bank does not have equity investment risk due to subsidiary and securities issued capital which classified banking accounts are not traded on the stock exchange.

*Information on booking value, fair value and market value of equity investments*

None.

*Information on equity investments realized gains or losses, revaluation increases and unrealized gains or losses and these amounts including capital contribution.*

None.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

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**INFORMATION ON THE FINANCIAL POSITION OF THE BANK (Continued)**

**IV. INFORMATION ON STOCK POSITION RISK (Continued)**

*Breakdown of the amount of capital requirements on investments in related stock exchange basis, depending on the Credit Risk Standard Method or the capital requirement calculation method which bank has chosen out of allowed methods stated in the Communiqué Regarding Calculation of Credit Risk Amount on Internal Rating Based Approach.*

None.

**V. INFORMATION ON LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO**

**Information on liquidity risk management regarding risk capacity of the Bank, responsibilities and structure of the liquidity risk management, reporting of the liquidity risk in the Bank, the way that sharing liquidity risk strategy, policy and implementations with the board of directors and job fields.**

Evaluation of capacity of liquidity risk position of the Bank depends on current liquidity position, current and estimated asset quality, current and future income capacity, historical funding needs, estimated funding needs and decreasing funding needs or analysis of decrease in additional funding choices. One or more actions below are done to find funds in order to maintain liquidity needs.

- Disposal of the liquid assets
- Maintain increasing short-term debts and/or additional short-term time deposit and deposit like assets
- Decrease in moveable long-term assets
- Increase in long term liabilities
- Increase in equity funds

Responsibility of the management of general liquidity belongs to Top Level Management, Treasury Department or Asset/Liability Committee ("ALCO") which is consisting of Risk Management executives. Appropriate controls and balances are maintained in every condition.

Analysis of effects of various stress scenarios on the liquidity position and establishment of limits are crucial in order to establish effective liquidity risk management. Limits are determined according to the size of the Bank, complexity of transactions and suitability of the financial conditions.

One of the important components of liquidity management is management information system which is created to offer information about the liquidity position of the Bank to the Board of Directors, top level management and related appropriate personnel at the right time. Strong management information system is an integral part of the reliable decision making process of the liquidity.

One of the important aspects of liquidity management is making assumptions on prospective funding needs. Although final cash inflows and outflows can be easily calculated or estimated, the Bank also makes short-term and long-term assumptions. Another important consideration is that the Bank's reputation plays an important role in reaching the funds it needs in a reasonable amount of time.

Management also has an emergency plan to be implemented in the absence of accurate projections. An effective emergency planning consists of identifying minimum and maximum liquidity needs and weighting alternatives that will be used to meet these needs.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

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**INFORMATION ON THE FINANCIAL POSITION OF THE BANK (Continued)**

**V. INFORMATION ON LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO (Continued)**

**The degree of centralization of liquidity management and funding strategy and information about the functioning between the Bank and its shareholders**

The Bank is supported by well-established shareholders among most powerful financial institutions in Türkiye, Middle East and the North African region. The Bank’s largest shareholder is Libyan Foreign Bank which is 100% owned by the Central Bank of Libya has the Bank. Funds received from the Bank’s risk group have a 29% share in liabilities.

**Information on the Bank’s funding strategy including the policies regarding diversification of funding sources and periods**

The Bank obtains its fund sources mainly from the parent Libyan Foreign Bank and its subsidiaries. These Funds are reliable sources which are ongoing for many years with renewing terms and expected to continue thereafter.

**Currencies constituting minimum five percent of the Bank’s total liabilities**

A large portion of the Bank’s liabilities consist of funds obtained from the parent Libyan Foreign Bank and group banks. 60% of these funds are USD, 40% are EUR.

**Information regarding to the liquidity risk mitigation techniques used**

The Bank’s liquidity risk mitigation techniques are retention of high-quality liquid assets on hand, provide maturity match between assets and liabilities and having the option to obtain funds from different banks in its risk groups.

**Information regarding to the usage of Stress Tests**

Stress tests are applied by changing the percentage of the parameters regarding to the liquidity ratio calculation. Subjected components, particularly high-quality liquid assets, including cash inflows and cash outflows are increased and decreased at various rates to measure the effects on the calculation. The test results provide guidance on liquidity management.

**General information on the emergency and contingency plan of Liquidity**

The Liquidity Emergency Action Plan prepared by the Bank’s Assets and Liabilities Committee was presented to the Board of Directors and approved by Council Decision No. CRC / 316-A/6/18 at 5 October 2018. Decisions on the plan;

- Bank-specific crisis and general market crisis has been described,
- The decision of proportional and structural changes of assets and liabilities in the balance sheet is delegated to Assets and Liabilities Committee,
- Agreed that the Liquidity Dashboard which includes available and accessible liquidity sources of the Bank, asset sales, loan repayments and liquidity usage submitted periodically to Assets and Liabilities Committee by the Treasury Department.
- Within the framework of an effective liquidity risk management of the Treasury Department, where necessary, acting jointly with other business units to avoid concentration of funding sources, following different funding options and current trends and reporting on costs is expressed,
- If necessary, making changes in the Emergency Action Plan and update it according to market conditions and balance sheet structure is delegated to Assets and Liabilities Committee.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

## INFORMATION ON THE FINANCIAL POSITION OF THE BANK (Continued)

## V. INFORMATION ON LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO (Continued)

## Liquidity coverage ratio

In accordance with the "Regulation on calculation of Bank's liquidity coverage ratio", published in Official Gazette no. 28948, dated 21 March 2014, liquidity coverage ratio is calculated which disclosed to the public in the following format. The monthly simple arithmetic average calculated consolidated liquidity coverage ratio of the last three months average, the weekly simple arithmetic average calculated liquidity coverage ratio of the last three months average.

The weekly calculated lowest and highest values of unconsolidated foreign currency and total liquidity coverage ratio by weeks are as follows:

	Month	FC	Month	FC+TL
<b>Lowest</b>	28 February 2025	180	14 February 2025	154
<b>Highest</b>	28 March 2025	348	14 March 2025	264

The weekly simple arithmetic average calculated liquidity coverage ratio of the last three months average is as following

Current Period	Consideration Ratio Not Applied Total Value <sup>(1)</sup>		Consideration Ratio Applied Total Value <sup>(1)</sup>	
	TL+FC	FC	TL+FC	FC
<b>HIGH QUALITY LIQUID ASSETS</b>				
1 High quality liquid assets	10,467,409	9,937,046	7,998,784	7,508,531
<b>CASH OUTFLOWS</b>				
2 Real person deposits and retail deposits	3,088,786	1,760,365	244,344	176,037
3 Stable deposit	1,290,691	-	64,535	-
4 Deposit with low stability	1,798,095	1,760,365	179,809	176,037
5 Unsecured debts except real person deposits and retail deposits	8,723,268	7,785,190	6,319,497	5,349,542
6 Operational deposit	-	-	-	-
7 Non-operating deposits	7,555,711	7,512,242	5,151,940	5,076,594
8 Other unsecured debts	1,167,557	272,948	1,167,557	272,948
9 Secured debts	-	-	-	-
10 Other cash outflows	17,334,652	16,097,818	1,353,102	893,290
11 Derivative liabilities and margin obligations	-	-	-	-
12 Debt from structured financial instruments	-	-	-	-
13 Other off-balance sheet liabilities and commitments for the payment owed to financial markets	-	-	-	-
14 Revocable off-balance sheet obligations regardless of any other requirement and other contractual obligations	-	-	-	-
15 Other irrevocable or provisory revocable off-balance sheet liabilities	17,334,652	16,097,818	1,353,102	893,290
<b>16 TOTAL CASH OUTFLOW</b>	<b>29,146,706</b>	<b>25,643,373</b>	<b>7,916,943</b>	<b>6,418,869</b>
<b>CASH INFLOWS</b>				
17 Secured receivables	-	-	-	-
18 Unsecured claims	4,171,105	3,674,760	3,734,286	3,291,683
19 Other cash inflows	1,767	1,767	1,767	1,767
<b>20 TOTAL CASH INFLOWS</b>	<b>4,172,872</b>	<b>3,676,527</b>	<b>3,736,053</b>	<b>3,293,450</b>
<b>Upper limit applied amounts</b>				
<b>21 TOTAL HQLA STOCK</b>			7,998,784	7,508,531
<b>22 TOTAL NET CASH OUTFLOWS</b>			4,180,890	3,125,419
<b>23 LIQUIDITY COVERAGE RATIO (%)</b>			<b>191.32</b>	<b>240.24</b>

<sup>(1)</sup> The weekly simple arithmetic average calculated liquidity coverage ratio of the last three months average.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

## INFORMATION ON THE FINANCIAL POSITION OF THE BANK (Continued)

## V. INFORMATION ON LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO (Continued)

Prior Period	Consideration Ratio Not Applied Total Value <sup>(1)</sup>		Consideration Ratio Applied Total Value <sup>(1)</sup>	
	TL+FC	FC	TL+FC	FC
<b>HIGH QUALITY LIQUID ASSETS</b>				
1 High quality liquid assets	10,563,834	10,158,463	8,250,675	7,845,304
<b>CASH OUTFLOWS</b>				
2 Real person deposits and retail deposits	2,844,981	1,787,427	233,776	178,743
3 Stable deposit	1,014,426	-	50,721	-
4 Deposit with low stability	1,830,555	1,787,427	183,055	178,743
5 Unsecured debts except real person deposits and retail deposits	7,741,982	7,377,590	5,271,938	4,884,210
6 Operational deposit	-	-	-	-
7 Non-operating deposits	7,187,734	7,155,716	4,717,690	4,662,336
8 Other unsecured debts	554,248	221,874	554,248	221,874
9 Secured debts	-	-	-	-
10 Other cash outflows	15,873,509	14,772,245	1,210,302	818,011
11 Derivative liabilities and margin obligations	-	-	-	-
12 Debt from structured financial instruments	-	-	-	-
13 Other off-balance sheet liabilities and commitments for the payment owed to financial markets	-	-	-	-
14 Revocable off-balance sheet obligations regardless of any other requirement and other contractual obligations	-	-	-	-
15 Other irrevocable or provisory revocable off-balance sheet liabilities	15,873,509	14,772,245	1,210,302	818,011
16 TOTAL CASH OUTFLOW	26,460,472	23,937,262	6,716,016	5,880,964
<b>CASH INFLOWS</b>				
17 Secured receivables	-	-	-	-
18 Unsecured claims	4,346,876	4,002,485	3,896,150	3,594,450
19 Other cash inflows	2,131	2,131	2,131	2,131
20 TOTAL CASH INFLOWS	4,349,007	4,004,616	3,898,281	3,596,581
			Upper limit applied amounts	
21 TOTAL HQLA STOCK			8,250,675	7,845,304
22 TOTAL NET CASH OUTFLOWS			2,817,735	2,284,383
23 LIQUIDITY COVERAGE RATIO (%)			292.81	343.43

<sup>(1)</sup> The weekly simple arithmetic average calculated liquidity coverage ratio of the last three months average.**Significant factors affecting the result of liquidity coverage ratio and changes in the items considered in the calculation of this ratio over time**

The most important factors affecting the calculation of liquidity coverage ratio for the Bank are high quality liquid assets and cash outflows. A significant portion of the Bank's high quality liquid assets consists of treasury bills and free deposits held at the Central Bank of the Republic of Türkiye. High quality liquid assets increased throughout the year and positively affected the liquidity coverage ratio calculation.

**Sections High-quality liquid assets comprised of**

High-quality liquid assets consist of cash, effectives, debt instruments issued by CBRT and treasury, debt instruments with a credit or default rating from A+ to BBB- or any equivalent Debt Instruments. CBRT accounts for 47% of high-quality liquid assets of the Bank, while 51% comprised of debt instruments issued by the Treasury and %2 of cash in vault.

**Sections Funding sources comprised of and their densities within all funds**

A significant part of the funding sources are comprised of deposits received. 54% of the total liabilities are deposits received. 35% of these deposits are deposits obtained from banks.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

## INFORMATION ON THE FINANCIAL POSITION OF THE BANK (Continued)

## V. INFORMATION ON LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO (Continued)

**Information on cash outflows arising from derivative transactions and transactions that are subject to collateralization**

Cash outflows arising from derivative balances are realised in periods when the Bank's derivative liabilities exceed its derivative receivables. As of 31 March 2025, the Bank has no derivative transactions.

**Counterparty and product-based funding sources and concentration limits on collaterals**

A significant part of the funding sources are comprised of deposits received. 54% of the liability is deposits and 29% of these deposits are from banks.

**Funding needs in terms of the Bank itself, foreign branches and consolidated subsidiaries taking into account operational and legal factors that inhibits the Bank's liquidity transfer and liquidity risk exposure**

The Bank obtains funds essentially from main shareholder Libyan Foreign Bank and its subsidiaries. These reliable and ongoing funds are renewed at different maturities and expected to continue for many years.

**Other cash inflows and outflows that are included in liquidity coverage calculation but not included in the public disclosure template in the second paragraph and considered to be related with the Bank's liquidity profile**

None.

**Presentation of assets and liabilities based on their outstanding maturities**

Current Period	Demand	Up to 1 Month	1-3 Months	3-12 Months	1-5 Years	5 Year and Over	Unallocated	Total
<b>Assets</b>								
Cash (cash in vault, effectives, money in transit, cheques purchased) and Central Bank balances	183,720	4,149,980	-	-	-	-	-	4,333,700
Banks	486,978	1,947,839	-	-	-	-	-	2,434,817
Financial Assets at Fair Value through Profit or Loss	-	-	-	-	-	-	-	-
Money Market Placements	-	532,700	-	-	-	-	-	532,700
Financial Assets at Fair Value through Other Comprehensive Income	-	511,780	8,331	143,772	316,351	46,912	2,580	1,029,726
Loans	-	1,890,424	2,418,043	3,205,790	346,456	-	43,145	7,903,858
Financial Assets Measured at Amortized Cost	-	759,648	292,216	1,575,620	304,918	-	-	2,932,402
Other assets <sup>(1)</sup>	-	-	-	-	-	-	1,866,461	1,866,461
<b>Total Assets</b>	<b>670,698</b>	<b>9,792,371</b>	<b>2,718,590</b>	<b>4,925,182</b>	<b>967,725</b>	<b>46,912</b>	<b>1,912,186</b>	<b>21,033,664</b>
<b>Liabilities</b>								
Interbank Deposits	2,825,264	367,402	758,721	-	-	-	-	3,951,387
Other Deposits	6,571,789	229,359	480,365	48,173	-	-	-	7,329,686
Money market borrowings	-	-	-	-	-	-	-	-
Miscellaneous payables	-	-	-	-	-	-	-	-
Marketable securities issued	-	-	-	-	-	-	-	-
Funds provided from other financial institutions	-	-	2,222,042	2,588,419	-	-	-	4,810,461
Other liabilities <sup>(2)</sup>	-	581	1,179	3,576	3,088	-	4,933,706	4,942,130
<b>Total Liabilities</b>	<b>9,397,053</b>	<b>597,342</b>	<b>3,462,307</b>	<b>2,640,168</b>	<b>3,088</b>	<b>-</b>	<b>4,933,706</b>	<b>21,033,664</b>
<b>Net Liquidity Gap</b>	<b>(8,726,355)</b>	<b>9,195,029</b>	<b>(743,717)</b>	<b>2,285,014</b>	<b>964,637</b>	<b>46,912</b>	<b>(3,021,520)</b>	<b>-</b>
<b>Prior Period</b>								
Total Assets	483,539	7,805,862	3,037,325	3,610,779	1,934,188	48,453	1,651,748	18,571,894
Total Liabilities	9,015,535	1,776,596	2,066,885	2,432,348	2,093	-	3,278,437	18,571,894
<b>Net Liquidity Gap</b>	<b>(8,531,996)</b>	<b>6,029,266</b>	<b>970,440</b>	<b>1,178,431</b>	<b>1,932,095</b>	<b>48,453</b>	<b>(1,626,689)</b>	<b>-</b>

(1) The amount of TL 1,866,461 in the other assets undistributable column; It consists of Tangible Assets of TL 1,387,803, Partnership Investments of TL 190,189, Intangible Assets of TL 11,298, Expected Loss Provisions of TL 74,318, Other Assets of TL 351,489, and other undistributed amounts.

(2) The amount of TL 4,933,706 in the other liabilities undistributed column; It consists of TL 3,767,928 Equity, TL 227,733 Provisions, TL 126,038 Current Tax Debt, TL 71,035 Deferred Tax Liability, and TL 740,972 undistributed amounts included in Other Liabilities.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

## INFORMATION ON THE FINANCIAL POSITION OF THE BANK (Continued)

## V. INFORMATION ON LIQUIDITY RISK MANAGEMENT AND LIQUIDITY COVERAGE RATIO (Continued)

In addition to the Liquidity Coverage Ratio, the Bank has started to submit the Net Stable Funding Ratio (NSFR) measurement, which provides medium/long term liquidity risk measurement, to the BRSA in accordance with the Regulation on Calculation of Net Stable Funding Ratio of Banks published in the Official Gazette dated 26 May 2023 and numbered 32202.

Current Period	According to the Remaining Maturity, Unapplied Consideration Rate					Total Amount with Consideration Rate Applied
	Demand Deposit*	Less than 6 Months	Residual maturity of six months and longer but less than one year	1 Year and more than 1 Year		
<b>Available Stable Fund</b>						
1 <b>Equity Items</b>	-	-	-	3,517,811		3,517,811
2 Tier 1 and Tier 2 capital	-	-	-	3,517,811		3,517,811
3 Other Capital Instruments	-	-	-	-		-
4 <b>Real person and retail customer deposits/participation funds</b>	2,834,580	329,208	13,498	-		2,928,095
5 Stable deposits/participation funds	1,218,900	145,854	5,988	-		1,302,206
6 Low stable deposits/participation funds	1,615,680	183,354	7,510	-		1,625,889
7 <b>Due to other persons</b>	5,514,400	4,844,396	1,272,689	1,206,106		2,036,181
8 Operational deposits/participation funds	-	-	-	-		-
9 Other payables	5,514,400	4,844,396	1,272,689	1,206,106		2,036,181
10 <b>Liabilities equivalent to interconnected assets</b>						
11 <b>Other liabilities</b>	1,572,033	-	-	-		-
12 Derivative liabilities				-		
13 Other equity items and liabilities not included above	1,572,033	-	-	-		-
14 <b>Available Stable Fund</b>						8,482,087
<b>Required Stable Funding</b>						
15 <b>High quality liquid assets</b>						180,364
16 <b>Operational deposits/participation funds deposited with credit institutions or financial institutions</b>	-	-	-	-		-
17 <b>Live receivables</b>	2,169,482	6,692,474	1,117,644	673,457		4,692,440
18 Receivables from credit institutions or financial institutions with first quality liquid assets as collateral	-	-	-	-		-
19 Unsecured receivables from credit institutions or financial institutions or secured receivables whose collateral is not first quality liquid assets	715,937	4,110,666	654,437	1,568		1,661,323
20 Receivables from corporate customers other than credit institutions or financial institutions, institutions, real persons and retail customers, central governments, central banks and public institutions	1,453,545	2,581,808	463,207	393,891		2,794,818
21 <i>Receivables subject to risk weighting of 35% or less</i>	-	596,020	-	-		-
22 Receivables collateralised by mortgages on residential properties	-	-	-	-		-
23 <i>Receivables subject to risk weighting of 35% or less</i>	-	-	-	-		-
24 Non-quoted equities and debt securities that do not qualify as high quality liquid assets	-	-	-	277,998		236,299
25 <b>Assets equivalent to interconnected liabilities</b>						
26 <b>Other assets</b>	2,195,168	-	-	9,392		2,204,560
27 Physical delivery including gold	-					-
28 Initial margin for derivative contracts or guarantee fund given to central counterparty				-		
29 Derivative assets				-		
30 Amount of derivative liabilities before deduction of variation margin				-		
31 Other assets not included above	2,195,168	-	-	9,392		2,204,560
32 <b>Off-balance sheet commitments</b>		17,538,971	-	-		876,948
33 <b>Required Stable Fund</b>						7,954,312
34 <b>Net Stable Funding Ratio (%)</b>						106.43

- Items reported in the Non-maturity column do not have a specific maturity. These include, but are not limited to, equity items with no stated maturity, demand deposits, short positions, positions with no stated maturity, high quality illiquid equities and commodities with physical delivery.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION ON THE FINANCIAL POSITION OF THE BANK (Continued)****VI. INFORMATION ON LEVERAGE RATIO****Leverage Ratio**

Explanations on leverage ratio is calculated in accordance with the "Regulation on Equity of Banks" and "Regulation on Measurement and Assessment of Capital Adequacy of Banks" published in the Official Gazette numbered 28812, dated 5 November 2013.

**Information on subjects that causes difference in leverage ratio between current and prior periods:**

The main difference between the current and prior period are capital and total risk amount. Additionally, Bank has no significant change in portfolio.

**Leverage ratio disclosure as follows**

		<b>Current Period</b>	<b>Prior Period</b>
	<b>Balance sheet assets</b>	<b>(1)</b>	<b>(1)</b>
1	Balance sheet assets (Except for derivative financial instruments and credit derivatives, including warranties)	20,152,738	18,542,404
2	(Assets deducted from main capital)	(11,091)	(11,087)
3	Total risk amount of the balance sheet assets (Sum of 1st and 2nd rows)	20,141,647	18,531,317
	<b>Derivative financial instruments and credit derivatives</b>		
4	Replacement cost of derivative financial instruments and credit derivatives	-	-
5	Potential credit risk amount of derivative financial instruments and credit derivatives	-	-
6	Total risk amount of derivative financial instruments and credit derivatives (Sum of 4th and 5th rows)	-	-
	<b>Security or secured financing transactions</b>		
7	Risk amount of security or secured financing transactions (Except balance sheet)	-	-
8	Risk amount due to intermediated transactions	-	-
9	Total risk amount of security or secured financing transactions (Sum of 7th and 8th rows)	-	-
	<b>Off-balance sheet transactions</b>		
10	Gross nominal amount of off-balance sheet transactions	17,507,690	15,988,824
11	(Adjustment amount resulting from multiplying by credit conversion rates)	-	-
12	Risk amount of the off-balance sheet transactions (Sum of 10th and 11th rows)	17,507,690	15,988,824
	<b>Equity and total risk</b>		
13	Main capital	3,385,862	2,474,652
14	Total risk amount (Sum of 3rd, 6th, 9th and 12th rows)	37,649,337	34,520,141
	<b>Leverage ratio</b>		
15	Leverage ratio	8.98%	7.16%

<sup>(1)</sup> Amounts in the table are obtained on the basis of three-month weighted average.



NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

INFORMATION ON THE FINANCIAL POSITION OF THE BANK (Continued)

VII. INFORMATION ON RISK MANAGEMENT

		Risk Weighted Amount		Minimum capital Requirement
		Current Period	Prior Period	Current Period
1	Credit risk (excluding counterparty credit risk) (CCR)	16,512,712	12,503,148	1,321,017
2	Standardised approach (SA)	16,512,712	12,503,148	1,321,017
3	Internal rating-based (IRB) approach	-	-	-
4	Counterparty credit risk	-	-	-
5	Standardised approach for counterparty credit risk (SA-CCR)	-	-	-
6	Internal model method (IMM)	-	-	-
7	Basic risk weight approach to internal models equity position in the banking account	-	-	-
8	Investments made in collective investment companies – look-through approach	-	-	-
9	Investments made in collective investment companies – mandate-based approach	-	-	-
10	Investments made in collective investment companies - 12.50% weighted risk approach	-	-	-
11	Settlement risk	-	-	-
12	Securitization positions in banking accounts	-	-	-
13	IRB ratings-based approach (RBA)	-	-	-
14	IRB Supervisory Formula Approach (SFA)	-	-	-
15	SA/simplified supervisory formula approach (SSFA)	-	-	-
16	Market risk	740,975	827,825	59,278
17	Standardised approach (SA)	740,975	827,825	59,278
18	Internal model approaches (IMM)	-	-	-
19	Operational Risk	1,554,125	1,116,613	124,330
20	Basic Indicator Approach	1,554,125	1,116,613	124,330
21	Standard Approach	-	-	-
22	Advanced measurement approach	-	-	-
23	The amount of the discount threshold under the equity (subject to a 250% risk weight)	-	-	-
24	Floor adjustment	-	-	-
25	<b>Total (1+4+7+8+9+10+11+12+16+19+23+24)</b>	<b>18,807,812</b>	<b>14,447,586</b>	<b>1,504,625</b>

RAV changes for KKR within the scope of the internal model method

None.

Market risk RAV change table according to the internal model approach

None.

VIII. INFORMATION ON OPERATING SEGMENTS

Organizational and internal reporting structure of the Bank is determined in line with TFRS 8 “Turkish Accounting Standard about Operating Segments”.

The Bank has operations in corporate and entrepreneurial banking, specialized banking, investment banking and international banking areas.

Current Period	Corporate and Commercial				Total Operations
	Retail Banking	Banking	Treasury	Unallocated	
Interest Income (Net)	(4,183)	241,509	88,097	-	325,423
Commission Income (Net)	-	77,667	-	-	77,667
Unallocated Income/Expenses (Net)	-	-	-	(324,462)	(324,462)
Income from Subsidiaries - Dividend	-	-	-	28,494	28,494
Dividend Income	-	-	-	28,494	28,494
Other Dividend Income	-	-	-	-	-
<b>Operating Income</b>	<b>(4,183)</b>	<b>319,176</b>	<b>88,097</b>	<b>(295,968)</b>	<b>107,122</b>
Income before tax	-	-	-	107,122	107,122
<b>Tax Provision</b>	-	-	-	<b>(19,174)</b>	<b>(19,174)</b>
<b>Net Profit for the period</b>	-	-	-	<b>87,948</b>	<b>87,948</b>

  

Current Period	Corporate and Commercial				Total Operations
	Retail Banking	Banking	Treasury	Unallocated	
Segment Assets	6,077	2,926,325	11,147,125	-	14,079,527
Associates and Subsidiaries	-	-	-	-	-
Unallocated assets	-	-	-	6,954,137	6,954,137
<b>Total Assets</b>	<b>6,077</b>	<b>2,926,325</b>	<b>11,147,125</b>	<b>6,954,137</b>	<b>21,033,664</b>
Segment Liabilities	3,371,177	3,957,089	8,763,268	-	16,091,534
Unallocated Liabilities	-	-	-	1,174,202	1,174,202
Equity	-	-	-	3,767,928	3,767,928
<b>Total Liabilities</b>	<b>3,371,177</b>	<b>3,957,089</b>	<b>8,763,268</b>	<b>4,942,130</b>	<b>21,033,664</b>

# ARAP TÜRK BANKASI A.Ş.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

### INFORMATION ON THE FINANCIAL POSITION OF THE BANK (Continued)

#### VII. INFORMATION ON OPERATING SEGMENTS (Continued)

Prior Period	Retail Banking	Corporate and Commercial Banking	Treasury	Unallocated	Total Operations
Interest Income (Net)	(2,808)	138,941	35,638	-	171,771
Commission Income (Net)	-	43,319	-	-	43,319
Unallocated					
Income/Expenses (Net)	-	-	-	(174,236)	(174,236)
Income from Subsidiaries -					
Dividend	-	-	-	-	-
<i>Dividend Income</i>	-	-	-	-	-
<i>Other Dividend Income</i>	-	-	-	-	-
<b>Operating Income</b>	<b>(2,808)</b>	<b>182,260</b>	<b>35,638</b>	<b>(174,236)</b>	<b>40,854</b>
Income before tax	-	-	-	40,854	40,854
<b>Tax Provision</b>	-	-	-	<b>(5,270)</b>	<b>(5,270)</b>
<b>Net Profit for the period</b>	-	-	-	<b>35,584</b>	<b>35,584</b>

Prior Period	Retail Banking	Corporate and Commercial Banking	Treasury	Unallocated	Total Operations
Segment Assets	1,630	3,170,932	10,923,399	-	14,095,961
Associates and Subsidiaries	-	-	-	-	-
Unallocated assets	-	-	-	4,475,933	4,475,933
<b>Total Assets</b>	<b>1,630</b>	<b>3,170,932</b>	<b>10,923,399</b>	<b>4,475,933</b>	<b>18,571,894</b>
Segment Liabilities	2,910,062	4,385,114	7,993,332	-	15,288,508
Unallocated Liabilities	-	-	-	675,794	675,794
Equity	-	-	-	2,607,592	2,607,592
<b>Total Liabilities</b>	<b>2,910,062</b>	<b>4,385,114</b>	<b>7,993,332</b>	<b>3,283,386</b>	<b>18,571,894</b>

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**SECTION FIVE****INFORMATION ON DISCLOSURES AND FOOTNOTES OF  
UNCONSOLIDATED FINANCIAL STATEMENTS****I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS****1. Information on cash equivalents and Central Bank of Türkiye****1. Information on cash equivalents**

	Current Period		Prior Period	
	TL	FC	TL	FC
Cash/Effective	2,461	116,324	1,482	134,010
Central Bank of Türkiye	64,935	4,149,980	8,985	3,988,794
Other	-	-	-	-
<b>Total</b>	<b>67,396</b>	<b>4,266,304</b>	<b>10,467</b>	<b>4,122,804</b>

**Information related to the account of Central Bank of Türkiye**

	Current Period		Prior Period	
	TL	FC	TL	FC
Unrestricted Demand Deposits <sup>(1)</sup>	14,935	-	8,985	-
Unrestricted Time Deposits	-	1,682,005	-	1,494,349
Restricted Time Deposits	-	-	-	-
Reserve Deposits	50,000	2,467,975	-	2,494,445
<b>Total</b>	<b>64,935</b>	<b>4,149,980</b>	<b>8,985</b>	<b>3,988,794</b>

<sup>(1)</sup> General reserve amount requirements maintained at CBRT**Information on Reserve Deposits**

Banks established in Türkiye or operating in Türkiye by opening branches are subject to the Communiqué of the Central Bank of the Republic of Türkiye numbered 2013/15 on Required Reserves. The items specified in the Communiqué, excluding the liabilities to the Central Bank of the Republic of Türkiye, the Treasury, domestic banks and the headquarters and branches of banks established by international agreements in Türkiye, constitute the liabilities subject to reserve requirements, based on the accounting standards and recording system to which the banks are subject.

Banks establish reserve requirements at the Central Bank of the Republic of Türkiye for their Turkish Lira and foreign currency liabilities specified in the aforementioned communiqué. The establishment of reserve requirements starts on the Friday two weeks following the liability calculation date and lasts for 14 days. Required reserves can be held at the Central Bank of the Republic of Türkiye in Turkish Lira, USD, EUR and standard gold in accordance with the "Communiqué on Required Reserves". The reserve requirement ratios vary according to the maturity structure of the liabilities and are applied between 3% - 33% for Turkish Lira deposits and other liabilities and between 5% - 30% for foreign currency deposits and other liabilities.

**2. Additional information on financial assets at fair value through profit or loss**

None (31 December 2024: None).

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)****I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)****3. Information on positive differences related to derivative financial assets**

None (31 December 2024: None).

**4. Information on banks**

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Banks</b>				
Domestic banks	2,851	1,949,035	31,979	2,380,763
Foreign banks	-	482,931	-	346,294
Branches and head office abroad	-	-	-	-
<b>Total</b>	<b>2,851</b>	<b>2,431,966</b>	<b>31,979</b>	<b>2,727,057</b>

**Information on Expected Loss Provisions**

Current Period	Stage 1	Stage 2	Stage 3	Total
Balances at Beginning of Period	2,748	-	-	2,748
Additions during the Period (+)	2,553	-	-	2,553
Disposal (-)	(2,623)	-	-	(2,623)
Transfer to Stage1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Write-offs (-)	-	-	-	-
<b>Balances at End of Period</b>	<b>2,678</b>	<b>-</b>	<b>-</b>	<b>2,678</b>
Prior Period	Stage 1	Stage 2	Stage 3	Total
Balances at Beginning of Period	1,649	-	-	1,649
Additions during the Period (+)	2,641	-	-	2,641
Disposal (-)	(1,542)	-	-	(1,542)
Transfer to Stage1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Write-offs (-)	-	-	-	-
<b>Balances at End of Period</b>	<b>2,748</b>	<b>-</b>	<b>-</b>	<b>2,748</b>

**5. Information on financial assets at fair value through other comprehensive income****Information on transaction of repo and collateral/blocked financial assets (Net)**

As of 31 March 2025, the Bank does not have any financial assets at fair value through other comprehensive income that are subject to repo transactions. (31 December 2024: None).

As of 31 March 2025, the Bank does not have any financial assets at fair value through other comprehensive income, which are given as collateral / blocked from assets (31 December 2024: None).

**Major types of financial assets at fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income are composed of shares that are not quoted in the stock market, certificates of rent and other securities.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

## INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

## I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)

## 5. Information on financial assets at fair value through other comprehensive income (Continued)

Information about assets for which the fair value difference is reflected in other comprehensive income

	Current Period	Prior Period
<b>Debt Securities</b>	1,246,435	1,141,112
Listed on the Stock Exchange	1,246,435	1,141,112
Not Listed on the Stock Exchange	-	-
<b>Shares</b>	2,579	2,394
Listed on the Stock Exchange	-	-
Not Listed on the Stock Exchange	2,579	2,394
<b>Impairment Provision (-)</b>	219,288	220,449
<b>Total</b>	<b>1,029,726</b>	<b>923,057</b>

## 6. Information on Loans

Information on all types of loans and advances given to shareholders and employees of the Bank

	Current period		Prior Period	
	Cash	Non- Cash	Cash	Non- Cash
<b>Direct Loans Granted to Shareholders</b>	-	<b>494,679</b>	-	<b>333,214</b>
Corporate Shareholders	-	494,679	-	333,214
Individual Shareholders	-	-	-	-
<b>Indirect Loans Granted to Shareholders</b>	-	-	-	-
<b>Loans Granted to the Bank's personnel</b>	<b>6,077</b>	-	<b>1,630</b>	-
<b>Total</b>	<b>6,077</b>	<b>494,679</b>	<b>1,630</b>	<b>333,214</b>

Information about the first and second group loans and other receivables including loans that have been restructured or rescheduled

Current Period

Cash Loans	Standard Loans	Not Under the Scope of Restructuring or Rescheduling	Loans Under Close Monitoring	
			Restructured or Rescheduled	Loans with revised contract terms
<b>Non-Specialized Loans</b>	<b>4,830,759</b>	<b>290</b>		
Commercial Loans	-	-	-	-
Export Loans	2,342,399	-	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	2,482,573	-	-	-
Consumer Loans	5,787	290	-	-
Credit Cards	-	-	-	-
Other	2,684,513	345,151	-	-
<b>Specialized Lending</b>	-	-	-	-
<b>Other Receivables</b>	-	-	-	-
<b>Total</b>	<b>7,515,272</b>	<b>345,441</b>	-	-

(1) Includes spot loans.

# ARAP TÜRK BANKASI A.Ş.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

### INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)

##### 6. Information on Loans (Continued)

Prior Period

Cash Loans	Standard Loans	Not Under the Scope of Restructuring or Rescheduling	Loans Under Close Monitoring	
			Restructured or Rescheduled Loans with revised contract terms	Refinancing
<b>Non-Specialized Loans</b>	<b>3,928,340</b>	<b>96</b>	-	-
Commercial Loans	-	-	-	-
Export Loans	1,772,678	-	-	-
Import Loans	-	-	-	-
Loans Given to Financial Sector	2,154,128	-	-	-
Consumer Loans	1,534	96	-	-
Credit Cards	-	-	-	-
Other	1,628,205	307,883	-	-
<b>Specialized Lending</b>	-	-	-	-
<b>Other Receivables</b>	-	-	-	-
<b>Total</b>	<b>5,556,545</b>	<b>307,979</b>	-	-

Current Period	Standard Loans	Loans Under Close Monitoring
12-Month expected credit losses	24,013	-
Significant increase in credit risk	-	30,508
<b>Prior Period</b>	<b>Standard Loans</b>	<b>Loans Under Close Monitoring</b>
12-Month expected credit losses	16,885	-
Significant increase in credit risk	-	16,325

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

## INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

## I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)

## 6. Information on Loans (Continued)

*Information on consumer loans, credit cards and loans given to employees*

	Short Term	Middle and Long Term	Total
<b>Consumer Loans-TL</b>	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
<b>Consumer Loans-Indexed to FC</b>	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
<b>Consumer Loans-Indexed to FC</b>	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
<b>Individual Credit Cards-TL</b>	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
<b>Individual Credit Cards-FC</b>	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
<b>Personnel Loans- TL</b>	3,656	2,421	6,077
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	3,656	2,421	6,077
Other	-	-	-
<b>Personnel Loans- Indexed to FC</b>	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
<b>Personnel Loans-FC</b>	-	-	-
Real estate loans	-	-	-
Automotive loans	-	-	-
Consumer loans	-	-	-
Other	-	-	-
<b>Personnel Credit Cards-TL</b>	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
<b>Personnel Credit Cards-FC</b>	-	-	-
Installment	-	-	-
Non-Installment	-	-	-
<b>Deposits with Credit Limit-TL (Individual)</b>	-	-	-
<b>Deposits with Credit Limit-FC (Individual)</b>	-	-	-
<b>Total</b>	<b>3,656</b>	<b>2,421</b>	<b>6,077</b>

## ARAP TÜRK BANKASI A.Ş.

### NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

##### I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)

##### 6. Information on Loans (Continued)

###### *Information on consumer loans, credit cards and loans given to employees*

None (31 December 2024: None).

###### *Allocation of domestic and foreign loans*

	Current Period	Prior Period
Domestic loans	7,155,342	5,538,191
Foreign loans	748,516	327,441
<b>Total</b>	<b>7,903,858</b>	<b>5,865,632</b>

###### *Loans granted to subsidiaries and associates*

	Current Period	Prior Period
Direct loans to subsidiaries and associates	38,706	34,758
Indirect loans to subsidiaries and associates	-	-
<b>Total</b>	<b>38,706</b>	<b>34,758</b>

###### *Specific provisions for loans*

Specific provisions	Current Period	Prior Period
Loans and receivables with limited collectibles	-	-
Loans and receivables with doubtful collectibles	-	-
Uncollectible loans and receivables	14,970	1,108
<b>Total</b>	<b>14,970</b>	<b>1,108</b>

###### **Information related to non-performing loans**

###### *Information on restructured loans of non-performing loans*

None (31 December 2024: None).



# ARAP TÜRK BANKASI A.Ş.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

### INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)

##### 6. Information on Loans (Continued)

Current Period	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectibles	Loans and receivables with doubtful collectibles	Uncollectible loans and receivables
<b>Balances at Beginning of Period</b>	-	-	<b>1,108</b>
Additions (+)	-	-	-
Transfers from other categories of nonperforming loans (+)	-	-	42,037
Transfers to other categories of nonperforming loans (-)	-	-	-
Collections (-)	-	-	-
Write-offs (-)	-	-	-
Institutional and commercial credits	-	-	-
Individual credits	-	-	-
Credit cards	-	-	-
Others	-	-	-
<b>Balances at End of the Period</b>	-	-	<b>43,145</b>
Specific provisions (-)	-	-	14,970
<b>Net Balance on Balance Sheet</b>	-	-	<b>28,175</b>

  

Prior Period	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectibles	Loans and receivables with doubtful collectibles	Uncollectible loans and receivables
<b>Balances at Beginning of Period</b>	-	-	<b>2,913</b>
Additions (+)	-	-	-
Transfers from other categories of nonperforming loans (+)	-	-	-
Transfers to other categories of nonperforming loans (-)	-	-	1,805
Collections (-)	-	-	-
Write-offs (-)	-	-	-
Institutional and commercial credits	-	-	-
Individual credits	-	-	-
Credit cards	-	-	-
Others	-	-	-
<b>Balances at End of the Period</b>	-	-	<b>1,108</b>
Specific provisions (-)	-	-	1,108
<b>Net Balance on Balance Sheet</b>	-	-	-

#### Information on foreign currency non-performing loans

None (31 December 2024: None).

#### Information on gross and net loans under follow-up according to the borrowers

	III. Group	IV. Group	V. Group
	Loans and receivables with limited collectability	Loans and receivables with doubtful collectability	Non-performing Loans and receivables
<b>Current Period (Net)</b>	-	-	<b>28,175</b>
Loans granted to real persons and legal entities (Gross)	-	-	43,145
Specific provisions (-)	-	-	14,970
Loans granted to real persons and legal entities (Net)	-	-	28,175
Banks (Gross)	-	-	-
Specific provisions (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and receivables (Gross)	-	-	-
Specific provisions (-)	-	-	-
Other Loans and receivables (Net)	-	-	-
<b>Prior Period (Net)</b>	-	-	-
Loans granted to real persons and legal entities (Gross)	-	-	2,913
Specific provisions (-)	-	-	2,913
Loans granted to real persons and legal entities (Net)	-	-	-
Banks (Gross)	-	-	-
Specific provisions (-)	-	-	-
Banks (Net)	-	-	-
Other Loans and receivables (Gross)	-	-	-
Specific provisions (-)	-	-	-
Other Loans and receivables (Net)	-	-	-

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

## INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

## I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)

## 6. Information on Loans (Continued)

*Information on accruals, valuation differences and related provisions calculated for non-performing loans for Banks which are providing expected credit loss according to TFRS 9*

None.

*Collection policy on loans determined as loss and other receivables*

Loans determined as loans and other receivables are collected via legal follow-up and conversion of guarantees to cash.

*Information on write-off policy*

The bank is in the effort to provide collections from loans under legal follow-up under the leadership of Corporate and Commercial Credits Monitor and Follow-up Department and Legal and Legislation Services Department and other related departments. However the absence of reasonable collection ability in any condition and manner regarding the recovery of the mentioned loans, determined as loss in which the bank monitors by allocate 100% provision under 5th group (3rd group in TFRS) in accordance with TFRS 9 and the "Regulation on Procedures and Principles Concerning Classification of Loans and Provision" are written-off by presenting to Board of Directors' approval upon gathering the opinion of Legal and Legislation Services Department and by obtaining approvals from Corporate and Commercial Credits Monitor and Follow-up Department.

The write-off of the uncollectible receivables is an accounting policy, it does not result in the right to waive.

Within the scope of TFRS 9, the Bank does not have written off loans (31 December 2024: None).

**Expected credit loss for loans**

<b>Current Period</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Balances at Beginning of Period	16,885	16,325	1,108	34,318
Additions during the Period	14,812	14,210	13,862	42,884
Disposal	(7,684)	(27)	-	(7,711)
Transfer to Stage1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Write-offs	-	-	-	-
<b>Balances at End of Period</b>	<b>24,013</b>	<b>30,508</b>	<b>14,970</b>	<b>69,491</b>
<b>Prior Period</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Balances at Beginning of Period	11,788	15	2,913	14,716
Additions during the Period	15,565	16,325	-	31,890
Disposal	(10,468)	(15)	(1,805)	(12,288)
Transfer to Stage1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Write-offs	-	-	-	-
<b>Balances at End of Period</b>	<b>16,885</b>	<b>16,325</b>	<b>1,108</b>	<b>34,318</b>

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)****I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)****7. Information on financial assets measured at amortised cost***Information on transaction of repo and collateral/blocked financial assets (Net)*

The Bank has no financial assets at amortised cost subject to repurchase agreements in the current period (31 December 2024: None).

In the current period, the Bank has no securities given as collateral/blocked as collateral from financial assets measured at amortised cost (31 December 2024:None.)

	Current Period		Prior Period	
	TL	FC	TL	FC
Government bonds	158,009	2,524,040	44,086	2,892,450
Treasury Bonds	-	-	-	-
Other Public Bonds	-	250,353	-	236,026
<b>Total</b>	<b>158,009</b>	<b>2,774,393</b>	<b>44,086</b>	<b>3,128,476</b>

	Current Period	Prior Period
<b>Debt Instruments</b>	<b>2,932,402</b>	<b>3,172,562</b>
Quoted at stock exchange	2,932,402	3,172,562
Not-quoted at stock exchange	-	-
Impairment loss provision (-)	-	-
<b>Total</b>	<b>2,932,402</b>	<b>3,172,562</b>

*Movement of financial assets measured at amortised cost*

Beginning of Period Balance	3,172,562	3,386,775
Foreign Exchange Differences on Monetary Assets	944,730	571,777
Purchases During the Year	125,292	-
Disposals Through Amortization	(1,310,182)	(785,990)
Impairment Allowance	-	-
<b>End of Period Total</b>	<b>2,932,402</b>	<b>3,172,562</b>

**Expected credit loss for financial assets measured at amortised cost**

Current Period	Stage 1	Stage 2	Stage 3	Total
Balances at Beginning of Period	2,091	-	-	2,091
Additions during the Period	113	-	-	113
Disposal	(55)	-	-	(55)
Transfer to Stage1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Write-offs	-	-	-	-
<b>Balances at End of Period</b>	<b>2,149</b>	<b>-</b>	<b>-</b>	<b>2,149</b>

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

## INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

## I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)

## 7. Information on financial assets measured at amortised cost (Continued)

Prior Period	Stage 1	Stage 2	Stage 3	Total
Balances at Beginning of Period	4,253	-	-	4,253
Additions during the Period	20	-	-	20
Disposal	(2,182)	-	-	(2,182)
Transfer to Stage1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Write-offs	-	-	-	-
<b>Balances at End of Period</b>	<b>2,091</b>	<b>-</b>	<b>-</b>	<b>2,091</b>

## 8. Information on associates

The Bank does not have an associate.

## 9. Information on subsidiaries (Net)

*Information on subsidiaries*

## Information on Shareholder's Equity for A&amp;T Finansal Kiralama A.Ş.

	Current Period	Prior Period
<b>CORE CAPITAL</b>		
Paid in Capital	190,000	161,500
Capital Reserves	228	228
Legal Reserves	10,216	8,998
Extraordinary Reserves – Legal Reserve per General Legislation	1	1
Profit / Loss	12,809	36,954
<i>Net Profit</i>	5,703	24,494
<i>Prior Period Profit/Loss <sup>(1)</sup></i>	7,106	12,460
Intangible Assets (-)	4,611	4,945
<b>Total Core Capital</b>	<b>208,643</b>	<b>202,736</b>
<b>SUPPLEMENTARY CAPITAL</b>	<b>-</b>	<b>-</b>
<b>DEDUCTION FROM CAPITAL</b>	<b>-</b>	<b>-</b>
<b>NET AVAILABLE CAPITAL <sup>(1)</sup></b>	<b>208,643</b>	<b>202,736</b>

(1) There is no restriction on the equity items of the subsidiary and the total net available shareholders' equity after deductions from share capital amounts to TL 208,643.

There is no internal capital adequacy assessment approach for the subsidiary. There is no additional requirements in terms of the capital of the subsidiary.

*Summary information on basic features of equity items*

Paid in capital has been indicated as Turkish Lira in articles of incorporation and registered in trade registry.

Effect of inflation adjustments on paid in capital is the difference caused by the inflation adjustment on shareholders' equity items.

# ARAP TÜRK BANKASI A.Ş.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

### INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)

##### 9. Information on subsidiaries (Net) (Continued)

Extraordinary reserves are the status reserves which have been transferred with the General Assembly decision after distributable profit have been transferred to legal reserves.

Legal reserves are the status reserves which have been transferred from distributable profit in accordance with the third clause of first and second paragraph of 519 and 521 articles of Turkish Commercial Code no. 6102.

Description	Address (City/Country)	Bank's share percentage-If different voting percentage (%)	Bank's risk group share percentage (%)
1 A&T Finansal Kiralama A.Ş.	Istanbul	99.98	99.98

  

Total Assets	Shareholders' Equity	Total Fixed Assets	Interest Income	Income from marketable securities portfolio	Current Period Profit / Loss	Prior Period Profit/Loss	Fair value <sup>(1)</sup>
1,931,742	256,410	73,277	59,154	-	5,703	7,106	-

<sup>(1)</sup> There is no fair value calculation for the subsidiary as of the current period. The financial information of the subsidiary has not been audited.

#### *Movement related to subsidiaries*

	Current Period	Prior Period
<b>Balance at the Beginning of the Period</b>	161,695	153,696
<b>Movements during the Period</b>	28,494	7,999
Purchases	-	-
Bonus Shares Received	28,494	7,999
Dividends from Current Year Profit	-	-
Sales	-	-
Revaluation Increase, Effect of Inflation and F/X Difference	-	-
Impairment Provision (+)	-	-
<b>Balance at the End of the Period</b>	190,189	161,695
<b>Capital Commitments</b>	-	-
<b>Share Percentage at the end of Period (%)</b>	99.98	99.98

#### *Sector information and carrying amounts of subsidiaries within the scope of consolidation*

Subsidiaries	Current Period	Prior Period
Banks	-	-
Insurance Companies	-	-
Factoring Companies	-	-
Leasing Companies	190,189	161,695
Finance Companies	-	-
Other Affiliates	-	-

#### *Quoted Subsidiaries*

There are no subsidiaries quoted at stock exchange of the bank.

##### 10. Information on jointly controlled entities

The Bank does not have any jointly controlled entities.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

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**INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**I. INFORMATION ON DISCLOSURES AND FOOTNOTES OF ASSETS (Continued)**

**11. Information on Financial lease receivables (Net)**

The Bank has no financial lease operation.

**12. Explanations on derivative financial instruments for hedging purposes**

The Bank has no derivative financial instruments for hedging purposes.

**13. Information on investment property**

The Bank has no investment property.

**14. Information on tax assets**

None.

**15. Information about fixed assets held for sale**

None.

**16. Information on other assets**

Other assets amounting to TL 351,489 (31 December 2024: TL 141,501) do not exceed 10% of the balance sheet total excluding off-balance sheet commitments.

# ARAP TÜRK BANKASI A.Ş.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

### INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### II. INFORMATION ON DISCLOSURES AND FOOTNOTES OF LIABILITIES

##### 1. Information on maturity profile of deposits

Current Period	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6 Months-1 Year	1 Year and over	Accumulating Deposit Accounts	Total
Saving Deposits	31,886	-	8,404	8,003	5,067	2,482	1,098	-	56,940
Foreign Currency Deposits	6,499,822	-	9,826	140,391	517,031	28,851	35,865	-	7,231,786
Residents in Türkiye	2,322,917	-	1,487	70,285	409,506	5,709	2,838	-	2,812,742
Residents Abroad	4,176,905	-	8,339	70,106	107,525	23,142	33,027	-	4,419,044
Public Sector Deposits	-	-	-	-	-	-	-	-	-
Commercial Deposits	21,397	-	613	266	-	-	-	-	22,276
Other Ins. Deposits	18,684	-	-	-	-	-	-	-	18,684
Precious Metal Deposits	-	-	-	-	-	-	-	-	-
Bank Deposits	2,825,264	-	-	1,126,131	(8)	-	-	-	3,951,387
Central Bank	-	-	-	-	-	-	-	-	-
Domestic Banks	-	-	-	758,712	-	-	-	-	758,712
Foreign Banks	2,825,264	-	-	367,419	(8)	-	-	-	3,192,675
Special Financial Inst.	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>9,397,053</b>	<b>-</b>	<b>18,843</b>	<b>1,274,791</b>	<b>522,090</b>	<b>31,333</b>	<b>36,963</b>	<b>-</b>	<b>11,281,073</b>

Prior Period	Demand	7 Days Notice	Up to 1 Month	1-3 Months	3-6 Months	6 Months-1 Year	1 Year and over	Accumulating Deposit Accounts	Total
Saving Deposits	26,668	-	7,637	13,748	4,755	6,938	5,690	-	65,436
Foreign Currency Deposits	6,472,072	-	977	114,139	498,259	26,829	33,247	-	7,145,523
Residents in Türkiye	2,509,386	-	977	50,953	389,545	5,288	2,640	-	2,958,789
Residents Abroad	3,962,686	-	-	63,186	108,714	21,541	30,607	-	4,186,734
Public Sector Deposits	-	-	-	-	-	-	-	-	-
Commercial Deposits	62,783	-	-	161	-	-	-	-	62,944
Other Ins. Deposits	22,233	-	-	-	-	-	-	-	22,233
Precious Metal Deposits	-	-	-	-	-	-	-	-	-
Bank Deposits	2,431,779	-	70,587	707,066	-	-	-	-	3,209,432
Central Bank	-	-	-	-	-	-	-	-	-
Domestic Banks	-	-	-	707,066	-	-	-	-	707,066
Foreign Banks	2,431,779	-	70,587	-	-	-	-	-	2,502,366
Special Financial Inst.	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>9,015,535</b>	<b>-</b>	<b>79,201</b>	<b>835,114</b>	<b>503,014</b>	<b>33,767</b>	<b>38,937</b>	<b>-</b>	<b>10,505,568</b>

#### Information on saving deposits insured by Saving Deposit Insurance Fund and the total amount of the deposits exceeding the insurance coverage limit

In accordance with the "Regulation on the Amendment to the Regulation on Deposits and Participation Funds Subject to Insurance and Premiums to be Collected by the Savings Deposit Insurance Fund" published in the Official Gazette dated 7/08/2022 and numbered 31936, all deposits and participation funds other than those belonging to official institutions, credit institutions and financial institutions in credit institutions have started to be insured. In this context, commercial deposits within the scope of insurance amounting to TL 277,213 and the related amount is not included in the footnot.(31 December 2024: TL 199,760)

	Covered by Deposit Insurance Fund	Prior Period	Not covered by Deposit Insurance Fund	Prior Period
	Current Period		Current Period	
Saving Deposits	31,382	24,974	25,558	40,462
Foreign Currency Saving Deposits	1,445,548	947,591	1,868,689	1,897,035
Other Saving Deposits	-	-	-	-
Foreign Branches' Deposits Under Foreign Insurance Coverage	-	-	-	-
Off-Shore Deposits Under Foreign Insurance Coverage	-	-	-	-
<b>Total</b>	<b>1,476,930</b>	<b>972,565</b>	<b>1,894,247</b>	<b>1,937,497</b>

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)****II. INFORMATION ON DISCLOSURES AND FOOTNOTES OF LIABILITIES (Continued)****1. Information on maturity profile of deposits (Continued)***Saving deposits not covered by deposit insurance*

The Bank does not have any branches in foreign and off-shore banking areas. Real persons who are not covered by the Savings Deposit Insurance Fund do not have special current and participation accounts.

*The deposits that are covered in foreign branches of the Bank's that headquarters located in abroad*

The Parent Bank's headquarter is located in Türkiye.

*Amounts not covered by deposit insurance**Individual deposits not covered by deposit insurance*

	Current Period	Prior Period
Deposits and Other Accounts held at Foreign Branches	-	-
Deposits and Other Accounts held by Shareholders and their Relatives	-	-
Deposits and Other Accounts of the Chairman and Members of Board of Directors, Chief Executive Officer, Senior Executive Officers and their Relatives	28,130	24,601
Deposits and Other Accounts held as Assets subject to the Crime defined in the Article 282 of the Turkish Criminal Code no. 5237 dated 26/9/2004	-	-
Deposits at Depositary Banks established for Off-Shore Banking Activities in Türkiye	-	-
<b>Total</b>	<b>28,130</b>	<b>24,601</b>

**2. Information on Financial derivatives through profit or loss****Negative differences table on derivative financial assets**

None.

**3. Information on Funds Borrowed***Information on banks and other financial institutions*

	Current Period		Prior Period	
	TL	FC	TL	FC
Central Bank of Türkiye	-	-	-	-
From Domestic Banks and Institutions	-	-	-	-
From Foreign Banks, Institutions and Funds	-	4,810,461	-	4,782,940
<b>Total</b>	<b>-</b>	<b>4,810,461</b>	<b>-</b>	<b>4,782,940</b>



**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)****II. INFORMATION ON DISCLOSURES AND FOOTNOTES OF LIABILITIES (Continued)****3. Information on Funds Borrowed (Continued)***Presentation of funds borrowed based on maturity profile*

	Current Period		Prior Period	
	TL	FC	TL	FC
Short-Term	-	2,291,517	-	2,386,848
Long-Term	-	2,518,944	-	2,396,092
<b>Total</b>	<b>-</b>	<b>4,810,461</b>	<b>-</b>	<b>4,782,940</b>

*Additional explanation related to the concentrations of the Bank's major liabilities on the basis of concentrations, fund providing customers, sector groups and other criteria where risk concentration is observed*

54% of the Bank's liabilities consist of deposits. (31 December 2024: TL 57%)

**4. Information on other foreign resources**

Other liabilities amounting to TL 740,972 do not exceed 10% of the balance sheet total (31 December 2024: TL 320,789).

**5. Information on financial lease obligations**

	Current Period		Prior period	
	Gross	Net	Gross	Net
Less than 1 Year	1,149	827	590	418
Between 1-4 Years	5,531	3,994	4,831	3,676
Longer than 4 Years	5,007	3,603	1,026	855
<b>Total</b>	<b>11,687</b>	<b>8,424</b>	<b>6,447</b>	<b>4,949</b>

**6. Information on liabilities arising from financial derivative transactions for hedging purposes**

None.

**7. Information on provisions***Reserve for employee termination benefits*

The Bank recognises the liabilities related to severance pay and vacation rights in accordance with the provisions of TAS 19 "Turkish Accounting Standard for Employee Benefits" and calculated the liabilities arising from the future severance and notice pay at their net present value and reflected them in the financial statements. TL 91,171 as at 31 March 2025 (31 December 2024: TL 73,970) and provision for employment termination benefits amounting to TL 37,013 (31 December 2024: TL 33,576) are recorded under "Provision for Employee Benefits" in the financial statements.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

## INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

## II. INFORMATION ON DISCLOSURES AND FOOTNOTES OF LIABILITIES (Continued)

## 7. Information on provisions (Continued)

*In the case of the other provisions, exceeds the 10% of the total provisions, those accounts and balances.*

	Current Period	Prior Period
Provisions for non-cash loans	99,541	88,219
Provisions for law suits	8	8
<b>Total</b>	<b>99,549</b>	<b>88,227</b>

## 8. Information on tax payables

*Information on current tax liability*

The Bank has TL 126,038 corporate tax payable after deducting prepaid taxes as at 31 March 2025 (31 December 2024: TL 63,568 )

*Information on deferred tax liabilities*

As of 31 March 2025, the Bank has deferred tax assets amounting to TL 317,797 and deferred tax liabilities amounting to TL 246,762 calculated over the deferred tax asset calculated over tax deductions and exemptions and the deferred tax asset calculated over the amounts arising between the book value of the assets or liabilities in the balance sheet and the tax base value determined in accordance with the tax legislation and to be taken into consideration in the calculation of financial profit / loss in the following periods. Deferred tax assets and liabilities are offset and a net deferred tax liability of TL 71,035 is recognised in the balance sheet.

The details of deferred tax assets and liabilities are as follows

	Current Period		Prior Period	
	Accumulated temporary differences	Deferred tax asset/liability	Accumulated temporary differences	Deferred tax asset/liability
Provisions for employee benefits	128,184	38,455	98,546	29,564
Unearned revenues	14,250	4,275	11,799	3,540
Interest rediscounts	233,970	70,191	245,946	73,784
Provisions	138,468	41,540	104,350	31,305
Impairment	305,410	91,623	290,613	87,613
Other <sup>(1)</sup>	2,260	678	5,497	1,220
<b>Deferred tax asset</b>	<b>822,542</b>	<b>246,762</b>	<b>756,751</b>	<b>227,026</b>
Tangible assets revaluation surplus	(1,335,993)	(317,121)	(1,335,993)	(317,121)
Interest accruals	(1,335,993)	(317,121)	(1,335,993)	(317,121)
Other	(2,252)	(676)	(2,067)	(620)
<b>Deferred tax liability</b>	<b>(1,338,245)</b>	<b>(317,797)</b>	<b>(1,338,060)</b>	<b>(317,741)</b>
<b>Deferred tax asset/(liability) (net)</b>		<b>(71,035)</b>		<b>(90,715)</b>

**Movement of deferred tax asset and liability:**

	Current Period	Prior Period
Opening balance	(90,715)	(77,840)
Deferred tax income/(expense)(Net)	20,818	69,573
Deferred tax accounted under shareholder's equity	(1,138)	(82,448)
<b>Net Deferred Tax Asset/(Liability)</b>	<b>(71,035)</b>	<b>(90,715)</b>

# ARAP TÜRK BANKASI A.Ş.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

### INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### II. INFORMATION ON DISCLOSURES AND FOOTNOTES OF LIABILITIES (Continued)

##### 8. Information on tax payables (Continued)

###### *Information on taxes payable*

	Current Period	Prior Period
Corporate Tax Payable	76,809	36,817
BSMV	13,096	2,771
Movable Capital Income Tax	261	287
Value Added Tax Payable	912	3,106
Corporate Tax Payable (Narrow Taxpayer)	190	337
Foreign Exchange Transaction Tax	-	-
Real Estate Capital Income Tax	59	38
Other <sup>(1)</sup>	19,046	10,926
<b>Total</b>	<b>110,373</b>	<b>54,282</b>

<sup>(1)</sup> Includes TL 17,902 (December 31, 2024: TL 10,392) in income tax withheld from salaries and other taxes.

###### *Information on bonus*

	Current Period	Prior Period
Social Insurance Premiums – Personnel	5,268	3,089
Social Insurance Premiums – Employer	9,457	5,663
Bank Social Welfare Fund Premiums – Personnel	-	-
Bank Social Welfare Fund Premiums – Employer	-	-
Pension Fund Dues and Provisions – Personnel	-	-
Pension Fund Contribution and Provisions – Employer	-	-
Unemployment Insurance – Personnel	317	178
Unemployment Insurance – Employer	623	356
Other	-	-
<b>Total</b>	<b>15,665</b>	<b>9,286</b>

###### *Information on non-current liabilities of assets held for sale and discontinued operations*

*The Bank has no non-current assets held for sale and discontinued operations.*

###### *Detailed explanations on the number, maturity and interest rate of subordinated loans utilised by the Bank, the institution from which the loan is obtained and the conversion option, if any*

*The Bank has no subordinated loans utilised.*

##### 9. Information on shareholders' equity

###### *Presentation of paid-in capital*

	Current Period	Prior Period
Common Stock	2,580,000	440,000
Preferred Stock	-	-

The decision to increase the capital to 2,580,000 TRY was approved at the Bank's Extraordinary General Assembly meeting held on December 4, 2024. The capital increase and the related amendment to the Articles of Association were registered on February 18, 2025, and published in the Turkish Trade Registry Gazette No. 11274 on the same date. The accounting for this capital increase was carried out on February 18, 2025, based on the permission obtained from the Banking Regulation and Supervision Agency (BDDK), with 1,070,295 TRY coming from internal sources and 1,069,705 TRY in cash.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**II. INFORMATION ON DISCLOSURES AND FOOTNOTES OF LIABILITIES (Continued)**

**9. Information on shareholders' equity (Continued)**

At the Bank's Extraordinary General Assembly held on March 4, 2025, it was resolved to increase the paid-in capital by TL 641,000, and the legal process is currently ongoing.

*Paid-in capital amount, explanation as to whether the registered share capital system is applicable at bank; if so the amount of registered share capital*

Registered share capital system is not implemented in the Bank.

*Information on share capital increases and their sources; other information on any increase in capital shares during the current period*

None.

*Information on share capital increases from capital reserves*

None.

*Capital commitments for current financial year and following period, general purpose of these commitments and estimated resources necessary for these commitments*

No capital commitments have been made to current financial year and following period.

*The impacts of the foresights, which are prospects according to Bank's prior periods income, profitability, and liquidity indicators and uncertainty, to shareholders' equity*

None.

*Explanations on dividend distribution*

None.

*Information on the privileges given to stocks representing the capital*

The share capital can be increased or decreased one or more times. Such an increase may be accomplished through the transfer of monies from the reserves to the capital account and the issuance of "bonus" shares in consequence thereof.

Every shareholder shall have the preferential (pre-emptive) right to subscribe for a proportion of new shares corresponding to the number of shares held by him and such right may be exercised within a period of thirty days from the date of receipt by each shareholder of an invitation to the shareholders to that effect. Such invitation shall be made by registered mail to the address contained in the share register.

These preferential (pre-emptive) rights may only be assigned by approval of the Board of Directors upon the favorable vote of 80% of the members, present or represented.

New shares may not be issued at a price less than the nominal value of the original shares issued.

Fractional shares shall be allocated by the Board of Directors.

The Bank may not finance the acquisition of its own shares whether directly or indirectly.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)****II. INFORMATION ON DISCLOSURES AND FOOTNOTES OF LIABILITIES (Continued)****9. Information on shareholders' equity (Continued)**

Arabian shareholders are treated under the same legislation with Turkish citizens. This includes the free transfer of distributed other revenues, guarantees, shares, dividends. And in a similar manner Arabian shareholders are benefited and protected by law No.6224, Foreign Capital Incentive Law.

***Gains (losses) due to revaluation and/or reclassification of financial assets measured at fair value through other comprehensive income***

	Current Period		Prior Period	
	TP	YP	TP	YP
Associates, Subsidiaries and Jointly Controlled Entities (Joint Ventures)	-	-	-	-
Valuation Differences	(140,175)	1,555	(143,054)	1,751
Exchange Rate Differences	-	-	-	-
<b>Total</b>	<b>(140,175)</b>	<b>1,555</b>	<b>(143,054)</b>	<b>1,751</b>

***Information on legal reserve***

In accordance with the resolution adopted at the 45th Ordinary General Assembly Meeting held on March 25, 2025, it was decided to transfer TL 9,109 from the profit for the year 2024 to legal reserves.

**III. INFORMATION AND DISCLOSURES RELATED TO OFF-BALANCE SHEETS****1. Information on contingent liabilities in the off-balance sheets*****Type and amount of irrevocable commitments***

The Bank has TL 1,240 as irrevocable commitments (31 December 2024: TL 908).

***Type and amount of possible losses from off-balance sheet items***

As of the balance sheet date, the Bank has allocated the provision amounting TL 25,974 over total Stage 3 non-cash loans (31 December 2024: TL 24,187).

***Guarantees, bills of exchange and acceptances and other letters of credit which can be counted as financial collateral***

The total amount of non-cash loans including guarantees, bills of exchange and acceptances and sureties on letters of credits and other guarantees is TL 5,369,268 (31 December 2024: TL 4,871,426).

***Final guarantees, temporary guarantees, commitments and similar transactions***

The total amount of the Bank's guarantee letters is TL 12,623,291 (31 December 2024: TL 11,426,131).

In accordance with the Council of Ministers' Decision dated 2011, the letters of guarantee given to Libya cannot be compensated. As per the BRSA's order dated 30 December 2019, The Memorandum of Understanding signed between the Government of the Republic of Türkiye and the Government of National Accord of Libya has entered into force as of 24 September 2020. This agreement hereby has the force of law and the implementation and results of the provisions of this agreement are closely monitored by Turkish Banks transacting with Libya.

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## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

### INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### III. INFORMATION AND DISCLOSURES RELATED TO OFF-BALANCE SHEETS (Continued)

##### 2. Total amount of non-cash loans

	Current Period	Prior Period
Non-Cash Loans granted for Cash Loan Assurance	1,838,533	1,485,579
Less Than or Equal to One Year with Original Maturity	689,014	742,000
More Than One Year with Original Maturity	1,149,519	743,579
Other Non-Cash Loans	16,154,026	14,811,978
<b>Total</b>	<b>17,992,559</b>	<b>16,297,557</b>

##### 3. Information on Expected Loss Provisions

Current Period	Stage 1	Stage 2	Stage 3	Total
Balances at Beginning of Period	63,592	440	24,187	88,219
Additions during the Period	17,574	4,992	1,786	24,352
Disposal	(13,030)	-	-	(13,030)
Transfer to Stage1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Write-offs	-	-	-	-
<b>Balances at End of Period</b>	<b>68,136</b>	<b>5,432</b>	<b>25,973</b>	<b>99,541</b>
Prior Period	Stage 1	Stage 2	Stage 3	Total
Balances at Beginning of Period	82,310	-	19,498	101,808
Additions during the Period	19,352	440	4,689	24,481
Disposal	(38,070)	-	-	(38,070)
Transfer to Stage1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Write-offs	-	-	-	-
<b>Balances at End of Period</b>	<b>63,592</b>	<b>440</b>	<b>24,187</b>	<b>88,219</b>

#### IV. INFORMATION AND FOOTNOTES RELATED TO STATEMENT OF PROFIT OR LOSS

##### 1. Information on interest income

###### *Information on interest income received from loans*

	Current Period		Prior Period	
	TL	FC	TL	FC
Interest Received from Loans <sup>(1)</sup>				
Short-Term Loans	111,358	65,797	66,672	28,721
Medium and Long-Term Loans	42,663	23,376	12,970	32,423
Interest Received From Non-Performing Loans	-	-	100	-
Premiums Received From Resource Utilization Support Fund	-	-	-	-
<b>Total</b>	<b>154,021</b>	<b>89,173</b>	<b>79,742</b>	<b>61,144</b>

<sup>(1)</sup> It contains fee and commission income related to cash loans.

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## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

### INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### IV. INFORMATION AND FOOTNOTES RELATED TO STATEMENT OF PROFIT OR LOSS (Continued)

##### 1. Information on interest income (Continued)

###### *Information on interest income received from banks*

	Current Period		Prior Period	
	TL	FC	TL	FC
From CRBT	-	-	-	-
From Domestic Banks	1,178	16,386	1,994	11,540
From Foreign Banks	-	570	683	3,481
From Foreign Headquarter and Branches	-	-	-	-
<b>Total</b>	<b>1,178</b>	<b>16,956</b>	<b>2,677</b>	<b>15,021</b>

###### *Information on interest income on marketable securities*

	Current Period		Prior Period	
	TL	FC	TL	FC
Financial Assets at Fair Value Through Profit or Loss	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	23,419	3,992	21,663	13,901
Financial Assets Measured at Amortised Cost	3,191	45,893	1,930	57,813
<b>Total</b>	<b>26,610</b>	<b>49,885</b>	<b>23,593</b>	<b>71,714</b>

##### 2. Interest Expense

###### *Information on interest paid for funds borrowed*

	Current Period		Prior Period	
	TL	FC	TL	FC
<b>Banks</b>	-	<b>58,161</b>	-	<b>58,201</b>
Central Bank	-	-	-	-
Domestic Banks	-	-	-	-
Foreign Banks	-	58,161	-	58,201
Overseas Headquarters and Branches	-	-	-	-
<b>Total</b>	-	<b>58,161</b>	-	<b>58,201</b>

###### *Information on interest expense paid to subsidiaries and associates*

	Current Period	Prior Period
Interest Expense Given to Affiliates and Subsidiaries	576	432

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

## INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

## IV. INFORMATION AND FOOTNOTES RELATED TO STATEMENT OF PROFIT OR LOSS (Continued)

## 2. Interest Expense (Continued)

*Information on interest expense given on securities issued*

None.

*Maturity structure of the interest expense on deposits*

Current Period	Time Deposit						Cumulative Deposit	Total
	Demand Deposit	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	More than 1 Year		
<b>Turkish Lira</b>								
Interbank deposits	-	388	-	-	-	-	-	388
Saving deposits	-	832	1,031	350	679	418	-	3,310
Public sector deposits	-	-	-	-	-	-	-	-
Commercial deposits	-	6	22	-	-	-	-	28
Other deposits	-	-	-	-	-	-	-	-
Deposits with 7 days notification	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>1,226</b>	<b>1,053</b>	<b>350</b>	<b>679</b>	<b>418</b>	-	<b>3,726</b>
<b>Foreign currency</b>								
Foreign currency deposits	-	36	383	1,323	137	258	-	2,137
Interbank deposits	11	9,302	-	-	3,187	-	-	12,500
Deposits with 7 days notification	-	-	-	-	-	-	-	-
Precious metal deposits	-	-	-	-	-	-	-	-
<b>Total</b>	<b>11</b>	<b>9,338</b>	<b>383</b>	<b>1,323</b>	<b>3,324</b>	<b>258</b>	-	<b>14,637</b>
<b>Grand Total</b>	<b>11</b>	<b>10,564</b>	<b>1,436</b>	<b>1,673</b>	<b>4,003</b>	<b>676</b>	-	<b>18,363</b>

Prior Period	Time Deposit						Cumulative Deposit	Total
	Demand Deposit	Up to 1 Month	Up to 3 Months	Up to 6 Months	Up to 1 Year	More than 1 Year		
<b>Turkish Lira</b>								
Interbank deposits	-	9,183	-	-	-	-	-	9,183
Saving deposits	-	820	484	254	204	173	-	1,935
Public sector deposits	-	-	-	-	-	-	-	-
Commercial deposits	-	95	30	-	-	-	-	125
Other deposits	-	-	-	-	-	-	-	-
Deposits with 7 days notification	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>10,098</b>	<b>514</b>	<b>254</b>	<b>204</b>	<b>173</b>	-	<b>11,243</b>
<b>Foreign currency</b>								
Foreign currency deposits	-	72	965	678	286	271	-	2,272
Interbank deposits	5	12,061	-	-	4,132	-	-	16,198
Deposits with 7 days notification	-	-	-	-	-	-	-	-
Precious metal deposits	-	-	-	-	-	-	-	-
<b>Total</b>	<b>5</b>	<b>12,133</b>	<b>965</b>	<b>678</b>	<b>4,418</b>	<b>271</b>	-	<b>18,470</b>
<b>Grand Total</b>	<b>5</b>	<b>22,231</b>	<b>1,479</b>	<b>932</b>	<b>4,622</b>	<b>444</b>	-	<b>29,713</b>

## 3. Information on trading gain/loss

	Current Period	Prior Period
<b>Gain</b>	<b>26,006,110</b>	<b>15,880,329</b>
Gain from money market transactions	-	35,747
Gain from financial derivative transactions	-	-
Gain from exchange transactions	26,006,110	15,844,582
<b>Loss (-)</b>	<b>(25,983,027)</b>	<b>(15,843,252)</b>
Loss from money market transactions	-	-
Loss from financial derivative transactions	-	-
Loss from exchange transactions	(25,983,027)	(15,843,252)
<b>Net Trading Gain/Loss</b>	<b>23,083</b>	<b>37,077</b>



# ARAP TÜRK BANKASI A.Ş.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

### INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### IV. INFORMATION AND FOOTNOTES RELATED TO STATEMENT OF PROFIT OR LOSS (Continued)

##### 4. Information on income from other operations

	Current Period	Prior Period
From reversal of provisions of prior year	2,775	17,019
Provision for communication expenses	4,001	2,306
Gain on sales of assets	2,905	-
Other income	467	293
<b>Total</b>	<b>10,148</b>	<b>19,618</b>

##### 5. Information on expected credit loss expenses

	Current Period	Prior Period
Expected Credit Loss Provisions	48,063	351
<i>12 month expected credit loss (stage 1)</i>	14,948	-
<i>Significant increase in credit risk (stage 2)</i>	19,170	143
<i>Non-performing loans (stage 3)</i>	13,945	208
Marketable Securities Impairment Expenses	-	-
<i>Financial Assets at Fair Value through Profit or Loss</i>	-	-
<i>Financial Assets at Fair Value Through</i>	-	-
<i>Other Comprehensive Income</i>	-	-
Subsidiaries, Associates and Entities under Common Control	-	-
Provision Expenses for Impairment	-	-
<i>Associates</i>	-	-
<i>Subsidiaries</i>	-	-
<i>Joint Ventures</i>	-	-
Other	-	-
<b>Total</b>	<b>48,063</b>	<b>351</b>

##### 6. Information on Other Provision Expenses

	Current Period	Prior Period
Securities Depreciation Expenses	11,187	9,636
<b>Total</b>	<b>11,187</b>	<b>9,636</b>

# ARAP TÜRK BANKASI A.Ş.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

### INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

#### IV. INFORMATION AND FOOTNOTES RELATED TO STATEMENT OF PROFIT OR LOSS (Continued)

##### 7. Information on other operating expense

	Current Period	Prior Period
Employee Termination Benefits Expense	3,847	2,776
Tangible Asset Impairment Expense	26,919	20,328
Amortization Expenses of Tangible Assets	-	-
Intangible Asset Impairment Expense	4,033	3,204
Goodwill Impairment Expense	-	-
Amortization Expenses of Intangible Assets	-	-
Shareholders Equity Procedure Applied Equity	-	-
Interest Impairment Expense	1,757	1,361
Impairment Losses on Investments in Associates accounted for Using Equity Method	-	-
Disposable Tangible Asset Impairment Expense	-	-
Amortization Expense of Assets Held for Resale	-	-
Impairment Expense related to Tangible Assets Held for Sale and Discontinued Operations	-	-
Other Operating Expenses	43,223	33,125
<i>Operating Lease Expenses out of the scope of TFRS 16</i>	281	119
<i>Maintenance Expenses</i>	15,349	9,842
<i>Advertisement Expenses</i>	573	158
<i>Other Expenses<sup>(2)</sup></i>	27,020	23,006
Losses from sales of Assets	-	-
Other <sup>(1)</sup>	19,935	15,605
<b>Total</b>	<b>99,714</b>	<b>76,399</b>

(1) Other item within other operating expenses; TL 6,767 consists of taxes, duties, fees and funds, TL 5,341 audit and consultancy fees, TL 3,900 TMSF expenses and TL 3,927 other operating expenses. (31 March 2024: The other item in other operating expenses consists of 5,368 TL taxes, duties, fees and funds, TL 3,786 audit and consultancy fees, TL 2,106 TMSF expenses and TL 4,345 other operating expenses.)

(2) Includes TL 8,428 in communication expenses and other operating expenses (March 31, 2024: TL 6,534).

##### 8. Information on profit/loss before taxes including profit/loss from discontinued operations

The pre-tax income amount from continued operations is TL 107,122 (31 March 2024: TL 40,854).

##### 9. Information on tax provision related to continued operations and discontinued operations

###### *Current period taxation benefit or charge and deferred tax benefit or charge*

Current tax expense is TL 39,992, (31 March 2024: TL 7,147), deferred tax expense is TL 20,818 (31 March 2024: TL 1,877 deferred tax income).

###### *Deferred tax charge arising from origination or reversal of temporary differences*

Deferred tax income arising from temporary differences is 20,818 TL (31 March 2024: TL 1,877 deferred tax income).

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)****IV. INFORMATION AND FOOTNOTES RELATED TO STATEMENT OF PROFIT OR LOSS (Continued)****9. Explanation on tax provision for continuing and discontinued operations (Continued)***Current tax income or expense and deferred tax income or expense*

The Bank has TL 20,818 as deferred tax expense reflected in the statement of profit or loss computed over temporary difference and tax deductions and exemptions (31 March 2024: TL 1,877 deferred tax income).

**10. Information on net profit or loss of the period including profit/loss from continued and discontinued operations**

Current period profit from continued operations is TL 87,948 (31 March 2024: TL 35,584).

**11. Information on net profit or loss of the period***Information on nature, dimension and frequency rate of income and expense accounts resulting from ordinary banking transactions if they are necessary for explaining the Bank's current period performance*

None.

*Information on the profit or loss effect of a change in an estimation related to financial statements and future period effect of the change in this estimation*

There is no change in accounting estimation related to consolidated financial statements.

**12. Information on 20% of other accounts in statement of profit or loss, if other accounts exceed 10% of total statement of profit or loss.**

Apart from other operating income and other operating expenses explained above, the details of other commission income items exceeding 10% of the total statement of profit or loss are as follows:

	Current Period	Prior Period
Letter of Credit Commissions	47,794	26,274
Transfer Commissions	16,825	9,619
Other	4,376	3,059
<b>Total</b>	<b>68,995</b>	<b>38,952</b>

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

## INFORMATION ON DISCLOSURES AND FOOTNOTES OF UNCONSOLIDATED FINANCIAL STATEMENTS (Continued)

## V. INFORMATION ON THE BANK'S RISK GROUP

## 1. Information on the volume of transactions with the Bank's risk group, lending and deposits outstanding at period end and income and expenses in the current period

*Information on the loans of the Bank's risk group***Current Period**

<b>Bank's Risk Group <sup>(1)</sup></b>	<b>Associates, Subsidiaries and Joint Ventures</b>		<b>Bank's Direct and Indirect Shareholders</b>		<b>Other Components in Risk Group</b>	
	<b>Cash</b>	<b>Non-cash</b>	<b>Cash</b>	<b>Non-Cash</b>	<b>Cash</b>	<b>Non-cash</b>
<b>Loans and Other Receivables</b>						
Balance at the beginning of the period	34,758	304	-	66,066	249	772,553
Balance at the end of the period	38,706	117	-	494,679	36,731	1,479,406
Interest and Commission Income received <sup>(2)</sup>	91	-	-	-	-	-

<sup>(1)</sup> Stated at the 2nd clause of the 49 nth article of the Law No. 5411 of Bank's Act.<sup>(2)</sup> Loans given to the Bank's direct and indirect shareholders are composed of forfeiting and letter of credit transactions which the interest and commission income are obtained not from the risk group but from the exporting firms.**Prior Period**

<b>Bank's Risk Group <sup>(1)</sup></b>	<b>Associates, Subsidiaries and Joint Ventures</b>		<b>Bank's Direct and Indirect Shareholders</b>		<b>Other Components in Risk Group</b>	
	<b>Cash</b>	<b>Non-cash</b>	<b>Cash</b>	<b>Non-Cash</b>	<b>Cash</b>	<b>Non-cash</b>
<b>Loans and Other Receivables</b>						
Balance at the beginning of the period	31,396	304	-	66,066	249	772,553
Balance at the end of the period	34,758	30	-	333,214	118,992	1,350,296
Interest and Commission Income received <sup>(2)</sup>	2,438	-	-	-	-	-

<sup>(1)</sup> Stated at the 2nd clause of the 49 nth article of the Law No. 5411 of Bank's Act.<sup>(2)</sup> Loans given to the Bank's direct and indirect shareholders are composed of forfeiting and letter of credit transactions which the interest and commission income are obtained not from the risk group but from the exporting firms.

The Bank has a loan of TL 4,082,840 (31 December 2024: TL 4,644,675) from the risk group. Interest expense of TL 52,772 was incurred in the current period regarding the loans used. (31 March 2024: TL 29,218).

*Information on deposits of the Bank's risk group*

<b>Bank's Risk Group <sup>(1)</sup></b>	<b>Associates, Subsidiaries and Joint Ventures</b>		<b>Bank's Direct and Indirect Shareholders</b>		<b>Other Components in Risk Group</b>	
	<b>Current Period</b>	<b>Prior Period</b>	<b>Current Period</b>	<b>Prior Period</b>	<b>Current Period</b>	<b>Prior Period</b>
<b>Deposits</b>						
Balance at the beginning of the period	33,437	719	788,891	176,134	788,885	117,851
Balance at the end of the period	11,310	33,437	887,599	788,891	845,136	788,885
Interest expense on deposits	576	432	10,060	-	65	-

<sup>(1)</sup> Stated at the 2nd clause of the 49 nth article of the Law No. 5411 of Bank's Act.*Information on forward transactions, options and other contracts related to Bank's risk group*

None.

*Information on benefits provided for top level management:*

For the period ended 31 March 2025, TL 18,108 has been paid to the top-level management of the Bank as salaries and fringe benefit (31 March 2024 : TL 15,600).

## VI. EXPLANATIONS AND NOTES RELATED TO SUBSEQUENT EVENTS

None.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

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**SECTION SIX**

**LIMITED AUDIT REPORT**

**I. INFORMATION ON INDEPENDENT AUDITOR’S REVIEW REPORT**

The unconsolidated financial statements for the interim period ended 31 March 2025 have been reviewed by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. The independent review report dated 9 May 2025 is presented preceding the unconsolidated financial statements.

**II. INFORMATION AND FOOTNOTES PREPARED BY THE INDEPENDENT AUDITOR**

None.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**SECTION SEVENTH**

**INTERIM ACTIVITY REPORT**

**I. Evaluation of the Chairman and the General Manager for the Period**

In the first quarter of 2025, the global economic outlook was shaped by the comprehensive customs tariffs announced by President Trump. The tariffs on China, which started at 34% and were gradually increased up to 125%, reignited concerns about trade wars and created significant uncertainty in the markets. Alongside trade tensions, recession expectations for the U.S. economy and persistent inflation concerns put pressure on global growth. Taking these developments into account, the OECD revised its global growth forecast for 2025 from 3.3% to 3.1%. The U.S. Federal Reserve (FED) maintained a cautious stance, keeping interest rates in the range of 4.25% to 4.5%, while still anticipating two 25 basis point rate cuts later in the year. On the European side, the European Central Bank (ECB) continued its interest rate cuts in the first quarter, lowered its growth forecast from 1.1% to 0.9%, and raised its inflation forecast to 2.3%. The planned defense and security expenditures by the European Union have provided some positive, though limited, support to the regional economy.

The Turkish economy completed 2024 with a growth rate of 3.2%, while the first quarter of 2025 was marked by high volatility in the financial markets, primarily due to political developments. Due to increasing pressure on the Turkish Lira, the Central Bank raised the upper band of the interest rate corridor from 44% to 46% to control exchange rate stability and inflation expectations. Furthermore, the policy interest rate was reduced from 47.5% to 42.5% in the first quarter. As a result of these measures, inflation declined to 38.1% by the end of the first quarter. The current account deficit continued to show a moderate outlook, and with the contribution of the recovery in our main trading partners, the cumulative current account deficit stood at USD 12.8 billion as of February.

Throughout 2024, the banking sector continued to support the Turkish economy. By the end of February 2025, the sector's total assets increased by 5.2% compared to the end of the previous year, reaching TL 34.362 billion. The credit and deposit volumes reached TL 16.865 billion and TL 19.800 billion, respectively. By the end of February 2025, the sector's net profit increased by 58.2% compared to the same period last year, reaching TL 118.2 billion. As a result, the return on equity (ROE) stood at 30.6% on an annual basis.

At the end of the first quarter of 2025, our bank completed the first phase of its capital increase process, raising TL 1,070 million from internal resources and TL 1,070 million from external sources, increasing its equity from TL 440 million to TL 2,580 million. With this strengthened capital base, we expanded our total assets to TL 21.0 billion and shareholders' equity to TL 3.8 billion. Furthermore, as of the end of March 2025, our cash loans, deposits, and non-cash loans stood at TL 7.9 billion, TL 11.3 billion, and TL 18.0 billion, respectively. As a result of these developments, our return on equity (ROE) reached 9.54% at the end of the first quarter, while our capital adequacy ratio stood at a solid 21.76%, reflecting a strong financial position.

At A&T Bank, we will continue to leverage the advantages of digitalization to implement innovative and sustainable solutions across all operational areas. In this process, our primary goal is to enhance the customer experience at every touchpoint and make banking transactions faster, easier, and more practical. Moreover, in the upcoming period, we will further strengthen our distribution channels and diversify our digital capabilities to improve the quality of our services.

While maintaining our commitment to effective risk and liquidity management strategies, achieving sustainable and healthy growth in corporate banking and contributing to the national economy will remain among our core business principles.

Best regards,

Wail J. A. BELGASEM  
Member of Board of Directors and  
General Manager

Yasin ÖZTÜRK  
Chairman of Board of Directors

# ARAP TÜRK BANKASI A.Ş.

## NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

### II. Unconsolidated Financial Highlights

<b>Assets (Thousand TL) <sup>(1)</sup></b>	<b>31.03.2025</b>	<b>31.12.2024</b>
Financial Assets (Net) <sup>(2)</sup>	8.328.265	7.882.708
Financial Assets Measured at Amortized Cost (Net) <sup>(3)</sup>	10.764.620	9.001.785
Equity Investments	190.189	161.695
Property and Equipment (Net)	1.387.803	1.372.893
Intangible Assets (Net)	11.298	11.312
Other Assets (Net)	351.489	141.501
<b>Total Assets</b>	<b>21.033.664</b>	<b>18.571.894</b>
<b>Liabilities (Thousand TL) <sup>(1)</sup></b>	<b>31.03.2025</b>	<b>31.12.2024</b>
Deposits	11.281.073	10.505.568
Funds Borrowed	4.810.461	4.782.940
Lease Liabilities (Net)	8.424	4.949
Provisions	227.733	195.773
Current Tax Liability	126.038	63.568
Deferred Tax Liability	71.035	90.715
Shareholders' Equity	3.767.928	2.607.592
Other Liabilities	740.972	320.789
<b>Total Liabilities</b>	<b>21.033.664</b>	<b>18.571.894</b>
<b>Off Balance Sheet Commitments (Thousand TL)</b>	<b>31.03.2025</b>	<b>31.12.2024</b>
Guarantees and Warranties	17.992.559	16.297.557
Commitments	1.240	908
<b>Total Off Balance Sheet Commitments</b>	<b>17.993.799</b>	<b>16.298.465</b>
<b>Statement of Profit / Loss (Thousand TL)</b>	<b>31.03.2025</b>	<b>31.03.2024</b>
Interest Income	402.523	260.117
Interest Expense (-)	77.100	88.346
Net Interest Income	325.423	171.771
Net Fees & Commission Income	77.667	43.319
Dividend Income	28.494	0
Trading Income / Loss (Net) (+/-)	23.083	37.077
Other Operating Income	10.148	19.618
Gross Operating Income	464.815	271.785
Expected Credit Loss (-)	48.063	351
Other Provisions Expenses (-)	11.187	9.636
Personnel Expense (-)	198.729	144.545
Other Operating Expenses (-)	99.714	76.399
Net Operating Income / Loss	107.122	40.854
Tax Provision (-)	19.174	5.270
<b>Net Term Profit</b>	<b>87.948</b>	<b>35.584</b>
<b>Unconsolidated Financial Ratios (%)</b>	<b>31.03.2025</b>	<b>31.12.2024</b>
Return on Assets <sup>(4)</sup>	1,33	1,11
Return on Equity <sup>(4)</sup>	9,54	8,47
Loans / Total Assets	37,58	31,58
Deposits / Total Liabilities	53,63	56,57
Capital Adequacy Standard Ratio	21,76	20,09

(1) Rate sensitive assets and liabilities include rediscounts. (2) Cash and Cash Equivalents, Financial Assets Measured at Fair Value through Profit or Loss, Financial Assets Measured at Fair Value through other Comprehensive Income and Derivative Financial Assets. (3) Loans, Lease Receivables, Factoring Receivables, Financial Assets Measured at Amortized Cost and Allowance for Expected Credit Losses. (4) The ratios are annualized.

**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

**III. Evaluation of the Bank's Financial Position and Performance**

- At the end of March 2025, the Bank's asset size was realized as TL 21.0 billion. In the period examined, the major items of the Bank's placements consist of net financial assets amounting to TL 8,328 million with 39.6% share and net financial assets as measured by the amortized cost of TL 10,765 million with 51.2% share.
- The Bank's liabilities are composed of 82.1% total external resources. The most important part of liabilities is deposits amounting to TL 11,281 million and funds borrowed amounting to TL 4,810 million. Shareholders' equity, which constituted 17.9% of total liabilities, amounted to TL 3,768 million at the end of March 2025. In the first quarter of 2025, the Bank's paid-in capital was increased by TL 2,140 million, consisting of TL 1,070 million from internal sources and TL 1,070 million from external sources.
- Guarantees and warrantees, which include letters of guarantee, letters of credit and other guarantees, went up by 10.4% compared to the previous year-end and stood at TL 17.993 million at end-March 2025.
- At the end of the first quarter of 2025, A&T Bank's net term profit realized as TL 87.9 million.
- Year on year basis, net interest income and net fee & commission income of the Bank increased by 89.5% and 79.3%, respectively.

**IV. Ratings of the Bank**

Fitch Ratings, the international credit rating agency, reported in its rating report dated March 4, 2025 that the Bank's credit ratings are updated as follows:

	<b>Rating Note</b>	<b>Outlook</b>
Long Term FC	B	Positive
Short Term FC	B	-
Long Term TL	B	Positive
Short Term TL	B	-
Viability Rating	b	-
Long Term National Note	BBB(tur)	Positive

**V. Changes in the Membership Structure of the Board of Directors**

- In the first quarter of 2025, Mr. Abdalkhalig Mohamed M. IBRAHIM, became a member of the Board of Directors on 16.01.2025. Mr. Abdulkhalek Hussein ERGEI resigned from the Board of Directors of the Bank as of 25.03.2025.
- As of 31.03.2025, the memberships of the Board of Directors are as follows:

Mr. Yasin ÖZTÜRK	Chairman
Mr. Mohamed Milad HASSADI	Deputy Chairman
Mr. Wail J. A. BELGASEM	Member (General Manager)
Mr. Hüseyin Serdar YUCEL	Member
Mr. Abdalkhalig Mohamed M. IBRAHIM	Member
Mr. Nouri Ali Mohamed ABOFLEGA	Member
Ms. İmge Hilal SOYLUOĞLU CANLI	Member
Ms. Selen GİYİM	Member



**NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025**

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

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**VI. Changes in the Membership Structure of the Audit Committee and Managers of the Units responsible for the Internal Systems**

In the first quarter of 2025, no change has realized in the membership structure of the Audit Committee.

- As of 31.03.2025 the memberships of the Audit Committee are as follows:

Mr. Mohamed Milad HASSADI	Chairman
Mr. Hüseyin Serdar YÜCEL	Member
Ms. Selen GİYİM	Member

- During the period, there has been no change in the Managers of the Units responsible for the Internal Systems.

**VII. Changes in the Membership Structure of Other Governance Committees**

In the first quarter end of 2025, no change has realized in the membership structure of the Other Governance Committees.

**VIII. Other Issues**

There is no significant changes apart from the above-mentioned explanations compared to the 2024 Annual Activity Report of the Bank, which has been prepared according to “the Regulations on the Principles and Procedures relating to the Preparation and Publication of the Annual Activity Report prepared by the Banks”.